

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.*

*This joint announcement is for information purposes only. It does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company nor shall there be any sale, purchase or subscription for securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful absent the filing of a registration statement or the availability of an applicable exemption from registration or other waiver. This joint announcement is not for release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.*



**GEELY GROUP LIMITED**

*(Incorporated in the British Virgin Islands  
with limited liability)*

**HONBRIDGE HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands  
with limited liability)*

**(Stock Code: 8137)**

**JOINT ANNOUNCEMENT**

**(1) THE SALE AND PURCHASE AGREEMENT IN RELATION TO  
THE ISSUED SHARE CAPITAL OF HONG BRIDGE CAPITAL LIMITED  
(2) POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER BY  
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED FOR AND  
ON BEHALF OF GEELY GROUP LIMITED TO ACQUIRE ALL  
THE ISSUED SHARES IN HONBRIDGE HOLDINGS LIMITED  
(OTHER THAN THOSE OWNED AND/OR AGREED TO BE ACQUIRED BY  
GEELY GROUP LIMITED AND PARTIES ACTING IN CONCERT WITH IT)  
AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF  
HONBRIDGE HOLDINGS LIMITED**

**Financial adviser to the Offeror**



**Guotai Junan Capital Limited**

## **THE SALE AND PURCHASE AGREEMENT**

The Company was informed by the Vendors that on 12 January 2023, the Offeror as the purchaser and the Vendors as the vendors entered into the Sale and Purchase Agreement, pursuant to which (i) Mr. He and Mr. Li Xingxing (son of Mr. Li) conditionally agreed to sell 38.09% and 30.77%, respectively, of the total issued share capital of the Target Company as at the date of the Sale and Purchase Agreement, and (ii) the Offeror conditionally agreed to acquire from Mr. He and Mr. Li Xingxing an aggregate of 68.86% of the total issued share capital of the Target Company as at the date of the Sale and Purchase Agreement. Immediately after Completion, the Target Company will be owned as to 68.86% by the Offeror, as to 18.23% by Strong Target (a company wholly-owned by Mr. Li) and as to 12.91% by Mr. He.

Completion is conditional upon the fulfilment of the conditions of the Sale and Purchase Agreement set out in the section headed “Conditions of the Sale and Purchase Agreement” in this joint announcement.

## **POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER**

As at the date of this joint announcement, the Target Company holds approximately 41.25% in the Company. As the Offeror will acquire statutory control (as referred to under the Takeovers Code) over the Target Company upon Completion and the Offeror and the Offeror Concert Parties will be interested in approximately 62.40% in the Company, the Offeror will be required to, subject to Completion, make an unconditional mandatory general offer for all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties) pursuant to Note 8 to Rule 26.1 of the Takeovers Code and Practice Note 19 to the Takeovers Code. The Offeror is also required to make a comparable offer to the Optionholders pursuant to Rule 13.5 of the Takeovers Code to cancel all the outstanding Share Options. The Offeror will, through GTJA Securities, make the Share Offer for all the Offer Shares pursuant to Note 8 to Rule 26.1 of the Takeovers Code and the Option Offer to cancel all outstanding Share Options pursuant to Rule 13 of the Takeovers Code.

## **PRINCIPAL TERMS OF THE OFFERS**

GTJA Securities will, on behalf the Offeror, make the Offers on the following basis:

### **The Share Offer**

For each Offer Share . . . . . HK\$0.08 in cash

**The Offeror will not increase the Offer Price. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.**

## **The Option Offer**

For cancellation of each Share Option . . . . . HK\$0.001 in cash

In compliance with Rule 13 of the Takeovers Code, the Option Offer Price for cancellation of the Share Options represents the “see-through” price, which is the difference between the Share Offer Price and the exercise price for each outstanding Share Option.

The exercise price of HK\$2.61 for the outstanding Share Option is above the Offer Price of HK\$0.08 per Offer Share under the Share Offer, and therefore out-of-the-money. Arrangements will be made under the Option Offer to cancel the outstanding Share Option at a nominal payment of HK\$0.001 for each outstanding Share Option.

Pursuant to the terms of the Share Option Scheme, in the event a general offer is made to all the Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the Optionholder shall be entitled to exercise the Share Option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised) in full or in part at any time within one month after the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code). As at the date of this joint announcement, all of the outstanding Share Options are exercisable. Optionholders who do not accept the Option Offer may nonetheless exercise their Share Options within one month from the date on which the Offers become or are declared unconditional (within the meaning of the Takeovers Code).

**All Optionholders are reminded that pursuant to the Share Option Scheme, if any Share Option is not exercised within one month from the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the Share Option will automatically lapse. After the earlier of 4:00 p.m. on the closing date of the Offers (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) and such lapse, the Optionholders will no longer be able to accept the Option Offer.**

As Completion will have taken place before the Composite Document is despatched and the Offeror and the Offeror Concert Parties will be interested in approximately 62.40% in the Company, the Offers will be unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

### **Total Value of the Offers**

As at the date of this joint announcement, the Company had 9,854,533,606 Shares in issue and 8,750,000 Share Options entitling the Optionholders to subscribe for the Shares pursuant to the Share Option Scheme.

Save as disclosed above, the Company does not have any other outstanding options, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into the Shares.

As at the date of this joint announcement, (a) Mr. Li, the ultimate beneficial owner of the Offeror, held (i) 103,064,000 Shares directly, representing approximately 1.04% of the entire issued share capital of the Company; and (ii) 1,850,675,675 Shares indirectly through Geely HK, which is owned as to 91.08% by Mr. Li indirectly, representing approximately 18.78% of the entire issued share capital of the Company; (b) the Target Company held 4,065,000,000 Shares, representing approximately 41.25% of the entire issued share capital of the Company; (c) Ms. Wang Li, spouse of Mr. Li, held 50,000,000 Shares indirectly through Euro American, representing approximately 0.51% of the entire issued share capital of the Company; and (d) in addition to the Shares held by the Target Company, Mr. He and Ms. Foo held 57,939,189 Shares and 22,460,000 Shares, respectively, representing in aggregate approximately 0.82% of the entire issued share capital of the Company. Mr. He and Ms. Foo intend to continue to hold such Shares until the close of the Offers.

Save for the above, none of the Offeror and the Offeror Concert Parties is interested in any Shares.

On the basis of the Share Offer Price of HK\$0.08 per Offer Share and 3,705,394,742 Shares subject to the Share Offer (excluding the Shares to be acquired by the Offeror and the Offeror Concert Parties and assuming that no Share Options are exercised before the close of the Offers), the Share Offer is valued at approximately HK\$296,431,579.36. On the basis of the Option Offer Price of HK\$0.001 each and 8,750,000 Share Options subject to the Option Offer (assuming no Share Options are exercised before the close of the Offers), the total amount required to satisfy the cancellation of the Share Options is approximately HK\$8,750. Based on the aforesaid and assuming that no Share Options are exercised before the close of the Offers, the Offers are valued at approximately HK\$296,440,329.36 in aggregate.

In the event that all the Share Options are exercised in full by the Optionholders before the close of the Offers, the Company will have to allot and issue 8,750,000 new Shares, representing approximately 0.089% of the issued share capital of the Company as at the date of this joint announcement. Assuming the Share Offer is accepted in full (including all the Shares allotted and issued as a result of the exercise of the Share Options), and on the basis of the Offer Price of HK\$0.08 per Offer Share and 3,714,144,742 Shares subject to the Share Offer (excluding the Shares already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties), the maximum value of the Share Offer will be approximately HK\$297,131,579.36. In this case, no amount will be payable by the Offeror under the Option Offer, and the Offers are valued at approximately HK\$297,131,579.36 in aggregate on a fully-diluted basis.

In the event there is no Share Option outstanding at the time the Offeror makes the Share Offer, only the Share Offer will be made by the Offeror and there will not be any Option Offer.

#### **Financial Resources Available to the Offeror**

The Offeror intends to finance and satisfy the Consideration and the Offers by way of issue of Promissory Notes and internal cash resources.

GTJA Capital, being the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy the Consideration and the full acceptance of the Offers.

#### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Pursuant to Rule 2.1 of the Takeovers Code, as at the date of this joint announcement, the Independent Board Committee has been formed in accordance with Rule 2.8 of the Takeovers Code to advise and give a recommendation to the Offer Shareholders and Optionholders in respect of the Offers, as to whether the terms of the Offers are fair and reasonable and as to the acceptance of the Offers. The Independent Board Committee comprises of all the non-executive Directors who are not interested in the Offers, being Mr. Chan Chun Wai, Tony, Mr. Ma Gang, Mr. Ha Chun and Mr. Yan Weimin. Mr. Chan Chun Wai, Tony and Mr. Yan Weimin hold 1,000,000 Shares and 30,000,000 Shares respectively, representing approximately 0.01% and 0.30% of the total issued share capital of the Company as at the date of this joint announcement. Their respective shareholding in the Company is small and their interests are no difference from other Offer Shareholders and are not considered to be interested in the Offers.

The Independent Financial Adviser has been appointed and such appointment has been approved by the Independent Board Committee to advise the Independent Board Committee in respect of the Offers, as to whether the terms of the Offers are fair and reasonable, and as to the acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code. The letter of advice from the Independent Financial Adviser as to whether the Offers is fair and reasonable, and as to the acceptance of the Offers will be set out in the Composite Document to be despatched to the Shareholders.

### **DESPATCH OF THE COMPOSITE DOCUMENT**

The Offeror and the Company intend to combine the offer document and the offeree board circular into the Composite Document which contains amongst others, details of the Offers, accompanied by the relevant form of acceptance and transfer, and incorporating the recommendation from the Independent Board Committee and the advice letter from the Independent Financial Adviser in respect of the Offers. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be posted within 21 days of the date of this joint announcement or such later date as the Executive may approve in accordance with the Takeovers Code.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

### **WARNING**

**The Offers will only be made if Completion takes place. Completion is conditional upon the fulfillment or waiver (where applicable) of the Conditions. Accordingly, the Offers may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company. If the Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.**

### **THE SALE AND PURCHASE AGREEMENT**

The Company was informed by the Vendors that on 12 January 2023, the Offeror as the purchaser entered into the Sale and Purchase Agreement with the Vendors as the vendors.

The principal terms of the Sale and Purchase Agreement are summarised below:

#### **Subject matter of the Sale and Purchase Agreement**

Pursuant to the Sale and Purchase Agreement, (i) Mr. He and Mr. Li Xingxing (son of Mr. Li) conditionally agreed to sell 38.09% and 30.77%, respectively, of the total issued share capital of the Target Company as at the date of the Sale and Purchase Agreement, and (ii) the Offeror conditionally agreed to acquire from Mr. He and Mr. Li Xingxing an aggregate

of 68.86% of the total issued share capital of the Target Company as at the date of the Sale and Purchase Agreement. Immediately after Completion, the Target Company will be owned as to 68.86% by the Offeror, as to 18.23% by Strong Target (a company wholly-owned by Mr. Li) and as to 12.91% by Mr. He.

### **Consideration**

The Consideration is HK\$223,916,000 and shall be payable and satisfied by the Offeror on the Completion Date in the following manners:

- (a) HK\$22,391,600 shall be payable in cash to the Vendors, being the Completion Cash Payment; and
- (b) the balance of HK\$201,524,400 shall be settled by the Offeror issuing to the Vendors the Promissory Notes in the aggregate principal amount of HK\$201,524,400 on the Completion Date, with maturity date on the date of the third anniversary of the Completion Date.

The Consideration was determined after arm's length negotiations between the Offeror and the Vendors, with reference to, among others, the net asset value of the Target Company, trading liquidity of the Shares and the future prospect of the Company's business.

As the remaining balance of the Consideration will be settled by way of Promissory Notes, the Vendors are presumed to be acting in concert with the Offeror under Class (9) of the definition of "acting in concert" under the Takeovers Code until the redemption in full of the Promissory Notes.

### **Conditions of the Sale and Purchase Agreement**

Completion is subject to the fulfilment or waiver of the following conditions by the Offeror (other than items (A) and (F) below which could not be waived) as at Completion:

- (A) the Executive having confirmed that he has no objection to the issue of this joint announcement;
- (B) the representations and warranties given by the Vendors under the Sale and Purchase Agreement remaining true, accurate and not misleading in any respect on the date of the Sale and Purchase Agreement and the Completion Date and that the Vendors not breaching any provisions in the Sale and Purchase Agreement or any undertakings therein;
- (C) all the agreements, obligations and terms in the Sale and Purchase Agreement having been complied with by the Vendors from the date of the Sale and Purchase Agreement to the Completion Date;

- (D) all the pre-completion undertakings having been complied with by the Target Company from the date of the Sale and Purchase Agreement to the Completion Date;
- (E) the Shares remaining listed and traded on the Stock Exchange from the date of the Sale and Purchase Agreement until the Completion Date, and no notification or indication being received from the Stock Exchange or the SFC on or prior to the Completion Date that the listing of the Shares on the Stock Exchange will or may be withdrawn or suspended due to completion of the Sale and Purchase Agreement or based on any provisions therein (and/or other reasons), excluding any suspension for insufficient public float after the close of the Offers or for the purpose of obtaining clearance from the SFC or the Stock Exchange for the publication of this joint announcement;
- (F) no binding order or judgment of any governmental authority having been obtained, brought or threatened to bring by any person (other than the parties to the Sale and Purchase Agreement) which restrains or prohibits the completion of the Sale and Purchase Agreement or claim for compensation thereunder by any party or which is likely to adversely affect the right of the Offeror to own the legal and beneficial title to the Sale Shares free from encumbrances and the compliance with all applicable laws and regulations of the Sale and Purchase Agreement and the transactions contemplated thereunder; and
- (G) since the date of the Sale and Purchase Agreement, (i) there having been no material adverse effect to the Group; and (ii) there having been no changes in all applicable laws of the respective jurisdictions in which the Group operate that would result in a material adverse change to the Group (regardless of whether the change is implemented before or on the Completion date).

If any of the conditions set out above is not fulfilled or waived (as the case may be) on or before the Long Stop Date, the Offeror shall be entitled to terminate the Sale and Purchase Agreement, however, (i) certain surviving provisions shall continue to have effect; and (ii) notwithstanding the termination of any further rights and obligations of each party upon termination of the Sale and Purchase Agreement, the accumulated rights and obligations of any party as of the date of termination shall not be affected.

As at the date of this joint announcement, save for the condition in (A) above, none of the Conditions has been satisfied.

### **Completion**

Subject to the Conditions being satisfied or waived (save for the Conditions (A) and (F) above which could not be waived) (as the case may be), Completion shall take place on the Completion Date.

## **The Irrevocable Undertakings**

Pursuant to and in connection with the Sale and Purchase Agreement, Mr. He and Ms. Foo have irrevocably undertaken that (i) from the date of the Sale and Purchase Agreement until the close of the Offers, they would not directly or indirectly sell, transfer or dispose of all or any of the He Controlled Shares or otherwise create any encumbrance on such Shares in any way; (ii) they would not accept the Share Offer in respect of the He Controlled Shares; and (iii) during the period from the date of the Sale and Purchase Agreement to six months after the close of the Offers, they would not purchase any Shares or any interest in the Shares at a consideration (or implied consideration) which is higher than HK\$0.08 per Share.

## **POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER**

As at the date of this joint announcement, the Target Company holds approximately 41.25% in the Company. As the Offeror will acquire statutory control (as referred to under the Takeovers Code) over the Target Company upon Completion and the Offeror and the Offeror Concert Parties will be interested in approximately 62.40% in the Company, the Offeror will be required to, subject to Completion, make an unconditional mandatory general offer for all the issued shares of the Company (other than those already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties) pursuant to Note 8 to Rule 26.1 of the Takeovers Code and Practice Note 19 to the Takeovers Code. The Offeror is also required to make a comparable offer to the Optionholders pursuant to Rule 13.5 of the Takeovers Code to cancel all the outstanding Share Options. The Offeror will, through GTJA Securities, make the Share Offer for all the Offer Shares pursuant to Note 8 to Rule 26.1 of the Takeovers Code and the Option Offer to cancel all outstanding Share Options pursuant to Rule 13 of the Takeovers Code.

## **PRINCIPAL TERMS OF THE OFFERS**

GTJA Securities will, on behalf the Offeror, make the Offers on the following basis:

### **The Share Offer**

For each Offer Share ..... HK\$0.08 in cash

The Target Company does not hold any asset other than 4,065,000,000 Shares. The Target Company does not have any liabilities except for a loan in the amount of HK\$24,000,000 due to a company whose ultimate beneficial owner is Mr. Li. The Offer Price of HK\$0.08 per Offer Share under the Share Offer was calculated based on the Consideration divided by 68.86% (being the percentage shareholding in the Target Company represented by the Sale Shares) of the number of Shares held by the Target Company.

The Company confirms that as at the date of this joint announcement, (i) it has not declared any dividend or other distributions which have not yet paid; and (ii) it does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offers.

**The Offeror will not increase the Offer Price. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.**

### **The Option Offer**

For cancellation of each Share Option ..... HK\$0.001 in cash

In compliance with Rule 13 of the Takeovers Code, the Option Offer Price for cancellation of the Share Options represents the “see-through” price, which is the difference between the Share Offer Price and the exercise price for each outstanding Share Option.

The exercise price of HK\$2.61 for the outstanding Share Option is above the Offer Price of HK\$0.08 per Offer Share under the Share Offer, and therefore out-of-the-money. Arrangements will be made under the Option Offer to cancel the outstanding Share Option at a nominal payment of HK\$0.001 for each outstanding Share Option.

As at the date of this joint announcement, (i) there are 8,750,000 outstanding Share Options granted under the Share Option Scheme and all of which are exercisable; and (ii) the Offeror and the Offeror Concert Parties do not hold any Share Options.

The Option Offer will be extended to all unexercised Share Options on the date on which the Option Offer is made, being the date of despatch of the Composite Document.

Pursuant to the terms of the Share Option Scheme, in the event a general offer is made to all the Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the Optionholder shall be entitled to exercise the Share Option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised) in full or in part at any time within one month after the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code). As at the date of this joint announcement, all of the outstanding Share Options are exercisable. Optionholders who do not accept the Option Offer may nonetheless exercise their Share Options within one month from the date on which the Offers become or are declared unconditional (within the meaning of the Takeovers Code).

The Share Offer will be extended to any Shares that may be issued as a result of the exercise of the Share Options if such Shares are issued and valid acceptance in respect of such issued Shares is received on or before the date on which the Share Offer is closed.

**All Optionholders are reminded that pursuant to the Share Option Scheme, if any Share Option is not exercised within one month from the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the Share Option will automatically lapse. After the earlier of 4:00 p.m. on the closing date of the Offers (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) and such lapse, the Optionholders will no longer be able to accept the Option Offer.**

**The Offers will only be made if Completion takes place. Completion is conditional upon the fulfilment or waiver (where applicable) of the Conditions. Accordingly, the Offers may or may not proceed. Shareholders, Optionholders and potential investors should exercise caution when dealing in the securities of the Company. If the Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.**

As Completion will have taken place before the Composite Document is despatched and the Offeror and the Offeror Concert Parties will be interested in approximately 62.40% in the Company, the Offers will be unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

### **Comparison of value**

The Offer Price of HK\$0.08 is equal to the price per Sale Share payable by the Offeror under the Sale and Purchase Agreement and represents:

- (i) a discount of approximately 77.5% to the closing price of HK\$0.355 per Share as quoted on the Stock Exchange on 12 January 2023, being the Last Trading Day;
- (ii) a discount of approximately 77.5% to the average closing price of approximately HK\$0.356 per Share based on the daily closing prices as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately 77.5% to the average closing price of approximately HK\$0.355 per Share based on the daily closing prices as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;

- (iv) a discount of approximately 75.2% to the average closing price of approximately HK\$0.322 per Share based on the daily closing prices as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 83.1% to the audited consolidated net asset value attributable to the Shareholders of approximately HK\$0.47 per Share as at 31 December 2021, calculated by dividing the Group's audited consolidated net assets attributable to the Shareholders of approximately HK\$4,654,046,000 as at 31 December 2021 by 9,854,533,606 Shares in issue as at the date of this joint announcement; and
- (vi) a discount of approximately 83.8% to the unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$0.49 per Share as at 30 June 2022, calculated by dividing the Group's unaudited consolidated net assets attributable to the Shareholders of approximately HK\$4,873,225,000 as at 30 June 2022 by 9,854,533,606 Shares in issue as at the date of this joint announcement.

### **Highest and lowest closing prices of the Shares**

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately prior to and including the Last Trading Day were HK\$0.365 per Share on 5 and 6 January 2023 and HK\$0.240 per Share on 24 October 2022, respectively.

### **Total Value of the Offers**

As at the date of this joint announcement, the Company had 9,854,533,606 Shares in issue and 8,750,000 Share Options entitling the Optionholders to subscribe for the Shares pursuant to the Share Option Scheme.

Save as disclosed above, the Company does not have any other outstanding options, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into the Shares.

As at the date of this joint announcement, (a) Mr. Li, the ultimate beneficial owner of the Offeror, held (i) 103,064,000 Shares directly, representing approximately 1.04% of the entire issued share capital of the Company; and (ii) 1,850,675,675 Shares indirectly through Geely HK, which is owned as to 91.08% by Mr. Li indirectly, representing approximately 18.78% of the entire issued share capital of the Company; (b) the Target Company held 4,065,000,000 Shares, representing approximately 41.25% of the entire issued share capital of the Company; (c) Ms. Wang Li, spouse of Mr. Li, held 50,000,000 Shares indirectly through Euro American, representing approximately 0.51% of the entire issued share capital of the Company; and (d) in addition to the Shares held by the Target Company, Mr. He and

Ms. Foo held 57,939,189 Shares and 22,460,000 Shares, respectively, representing in aggregate approximately 0.82% of the entire issued share capital of the Company. Mr. He and Ms. Foo intend to continue to hold such Shares until the close of the Offers.

Save for the above, none of the Offeror and the Offeror Concert Parties is interested in any Shares.

On the basis of the Share Offer Price of HK\$0.08 per Offer Share and 3,705,394,742 Shares subject to the Share Offer (excluding the Shares to be acquired by the Offeror and the Offeror Concert Parties and assuming that no Share Options are exercised before the close of the Offers), the Share Offer is valued at approximately HK\$296,431,579.36. On the basis of the Option Offer Price of HK\$0.001 each and 8,750,000 Share Options subject to the Option Offer (assuming no Share Options are exercised before the close of the Offers), the total amount required to satisfy the cancellation of the Share Options is approximately HK\$8,750. Based on the aforesaid and assuming that no Share Options are exercised before the close of the Offers, the Offers are valued at approximately HK\$296,440,329.36 in aggregate.

In the event that all the Share Options are exercised in full by the Optionholders before the close of the Offers, the Company will have to allot and issue 8,750,000 new Shares, representing approximately 0.089% of the issued share capital of the Company as at the date of this joint announcement. Assuming the Share Offer is accepted in full (including all the Shares allotted and issued as a result of the exercise of the Share Options), and on the basis of the Offer Price of HK\$0.08 per Offer Share and 3,714,144,742 Shares subject to the Share Offer (excluding the Shares already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties), the maximum value of the Share Offer will be approximately HK\$297,131,579.36. In this case, no amount will be payable by the Offeror under the Option Offer, and the Offers are valued at approximately HK\$297,131,579.36 in aggregate on a fully-diluted basis.

In the event there is no Share Option outstanding at the time the Offeror makes the Share Offer, only the Share Offer will be made by the Offeror and there will not be any Option Offer.

### **Financial Resources Available to the Offeror**

The Offeror intends to finance and satisfy the Consideration and the Offers by way of issue of Promissory Notes and internal cash resources.

GTJA Capital, being the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy the Consideration and the full acceptance of the Offers.

## **Effects of accepting the Offers**

By accepting the Share Offer, the relevant Shareholders will be deemed to warrant that all Offer Shares to be sold by such person under the Share Offer are fully paid and free from all encumbrances and with all rights and benefits at any time accruing and attaching thereto as at the date of the Composite Document or subsequently becoming attached to them, including but not limited to the rights to receive all dividends and distributions declared, and any return of capital, if any, which may be paid, made or declared or agreed to be made or paid thereon or in respect thereof on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document.

By accepting the Option Offer, the relevant Share Options tendered by the Optionholders, together with all rights attaching thereto with effect from the date of the Composite Document will be entirely cancelled and renounced. Pursuant to the terms of the Share Option Schemes, the Optionholder shall be entitled to exercise the Share Option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised) in full or in part at any time within one month after the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code). As at the date of this joint announcement, all of the outstanding Share Options are exercisable. Optionholders who do not accept the Option Offer may nonetheless exercise their Share Options within one month from the date on which the Offers become or are declared unconditional (within the meaning of the Takeovers Code).

**All Optionholders are reminded that pursuant to the Share Option Scheme, if any Share Option is not exercised within one month from the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the Share Option will automatically lapse. After the earlier of 4:00 p.m. on the closing date of the Offers (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) and such lapse, the Optionholders will no longer be able to accept the Option Offer.**

Acceptance of the Offers would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

## **Hong Kong stamp duty**

In Hong Kong, seller's ad valorem stamp duty payable by the Offer Shareholders who accept the Share Offer and calculated at a rate of 0.13% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is the higher, will be deducted from the amount payable by the Offeror to the relevant Offer Shareholders on the acceptance of the Share Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the

Offer Shareholders who accept the Share Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the Offer Shares.

No stamp duty is payable in connection with the acceptance of the Option Offer.

### **Payment**

Payment in cash in respect of acceptances of the Offers will be made as soon as possible but within seven (7) business days (as defined in the Takeovers Code) following the date on which the duly completed acceptance of the Offers and the relevant documents of title of the Offer Shares or the Share Options (as the case may be) in respect of such acceptance are received by or for the Offeror to render each such acceptance complete and valid. No fractions of a cent will be payable and the amount of the consideration payable to a Shareholder and Optionholder who accepts the Offers will be rounded up to the nearest cent.

### **OVERSEAS SHAREHOLDERS AND OVERSEAS OPTIONHOLDERS**

As the Offers to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, Overseas Shareholders and Overseas Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of the Overseas Shareholders and the Overseas Optionholders who wish to accept the Share Offer and the Option Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Share Offer and the Option Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

Any acceptance by any Overseas Shareholders and Overseas Optionholders will be deemed to constitute a representation and warranty from such Overseas Shareholders and Overseas Optionholders to the Offeror that the local laws and requirements have been complied with. The Overseas Shareholders and Overseas Optionholders should consult their professional advisers if in doubt.

### **Taxation advice**

Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Share Offer. None of the Offeror, the Company, GTJA Capital, GTJA Securities, the Independent Financial Adviser, and (as the case may be) their respective ultimate beneficial owners,

directors, officers, agents, advisers or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

## **DEALING AND INTERESTS IN THE SECURITIES OF THE COMPANY**

The Offeror confirms that save for the Sale Shares under the Sale and Purchase Agreement, none of the Offeror and the Offeror Concert Parties has dealt for value any Shares or other relevant securities (as defined in Note 4 to Rule 22) of the Company during the six-month period immediately prior to and including the date of this joint announcement.

### **Other arrangements or agreements**

The Offeror confirms that, as at the date of this joint announcement:

- (i) save for (1) 4,065,000,000 Shares held by the Target Company, (2) 80,399,189 Shares held by Mr. He and Ms. Foo (57,939,189 Shares of which are held by Mr. He and 22,460,000 Shares of which are held by Ms. Foo), (3) 1,953,739,675 Shares directly or indirectly held by Mr. Li; and (4) 50,000,000 Shares held by Ms. Wang Li indirectly through Euro American, none of the Offeror and the Offeror Concert Parties owns, holds or has control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (ii) save for the Irrevocable Undertakings, the Offeror and the Offeror Concert Parties have not received any irrevocable commitment to accept or not accept the Share Offer;
- (iii) there is no agreement or arrangement in relation to outstanding derivative in respect of securities in the Company which has been entered into by the Offeror and the Offeror Concert Parties;
- (iv) save for the Sale and Purchase Agreement and the Irrevocable Undertakings, there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company or the shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror and which may be material to the Share Offer;
- (v) save for the Sale and Purchase Agreement, there is no agreement or arrangement to which any of the Offeror and the Offeror Concert Parties is a party which relates to circumstances in which they may or may not invoke or seek to invoke a pre-condition or a condition to the Share Offer;
- (vi) there are no Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company which the Offeror and the Offeror Concert Parties have borrowed or lent;

- (vii) there is no consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, its ultimate beneficial owner and/or any parties acting in concert with any of them (other than the Vendors), its nominees or representatives to the Vendors and/or any parties acting in concert with it in connection with the sale and purchase of the Sale Shares, save for the Consideration to be paid by the Offeror to the Vendors under the Sale and Purchase Agreement;
- (viii) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeover Code) between (i) the Company, its subsidiaries or associated companies on one hand and (ii) any Shareholder on the other hand;
- (ix) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between
  - (A) (a) the Company, its subsidiaries or associated companies on one hand and (b) the Shareholders on the other hand; or
  - (B) (a) the Offeror, its ultimate beneficial owner or parties acting in concert with any of them on one hand and (b) the Shareholders on the other hand; and
- (x) save for the Sale and Purchase Agreement, none of the Offeror and the Offeror Concert Parties had acquired any voting right in the Company during the six-month period prior to the date of this joint announcement and up to and including the date of this joint announcement.

## **INFORMATION ON THE GROUP**

The Company is a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the GEM of the Stock Exchange. The Group is principally engaged in the business of research and development, production, sales of lithium-ion battery and battery system, provision of online car-hailing services, electric bicycle battery swapping services and research and exploration of iron ores.

The following table is a summary of certain audited consolidated financial information of the Group for the financial years ended 31 December 2020 and 31 December 2021, and certain unaudited consolidated financial information of the Group for the six months ended

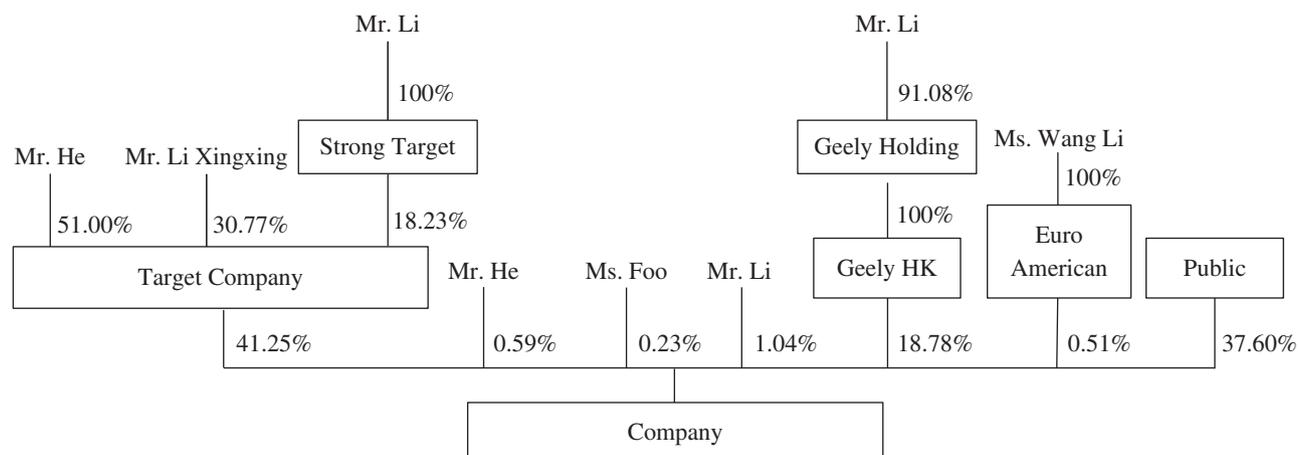
30 June 2021 and 30 June 2022, as extracted from the annual reports of the Company for the years ended 31 December 2020 and 31 December 2021, and the interim reports of the Company for the six months ended 30 June 2021 and 30 June 2022, respectively:

	For the year ended 31 December		For the six months ended 30 June	
	2020 (HK\$'000) (Audited)	2021 (HK\$'000) (Audited)	2021 (HK\$'000) (Unaudited)	2022 (HK\$'000) (Unaudited)
Revenue	297,065	478,917	205,286	37,232
Profit/(loss) before income tax	1,782,425	88,653	139,227	(91,136)
Profit/(loss) for the year or period (where appropriate) attributable to the owners of the Company	1,156,593	88,500	124,973	(89,621)
Equity attributable to the owners of the Company	4,870,346	4,654,046	5,193,321	4,873,225

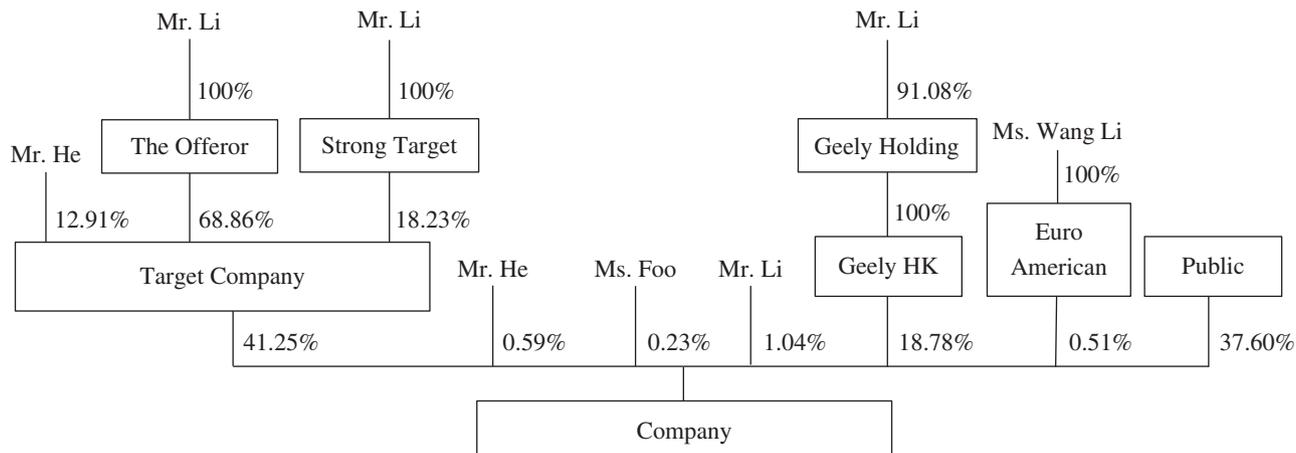
## SHAREHOLDING STRUCTURE OF THE COMPANY

The simplified shareholding structures of the Company and the Target Company (i) as at the date of this joint announcement; and (ii) immediately after Completion are shown below.

### Simplified shareholding structure of the Company and the Target Company as at the date of this joint announcement



## Simplified shareholding structure of the Company and the Target Company immediately after Completion



The following table sets out the shareholding structure of the Company (i) as at the date of this joint announcement; and (ii) immediately after Completion:

Shareholders	As at the date of this joint announcement		Immediately after Completion	
	No. of Shares	Approximate %	No. of Shares	Approximate %
<i>The Offeror and the Offeror Concert Parties</i>				
The Offeror	—	—	—	—
Target Company	4,065,000,000 (Note 1)	41.25	4,065,000,000 (Note 2)	41.25
Mr. He	57,939,189	0.59	57,939,189	0.59
Ms. FOO Yatyan (Note 3)	22,460,000	0.23	22,460,000	0.23
Geely HK	1,850,675,675	18.78	1,850,675,675	18.78
Mr. Li	103,064,000	1.04	103,064,000	1.04
Euro American (Note 4)	50,000,000	0.51	50,000,000	0.51
<b>Sub-total</b>	6,149,138,864	62.40	6,149,138,864	62.40
<i>Public Shareholders</i>	3,705,394,742	37.60	3,705,394,742	37.60
<b>Total</b>	<u>9,854,533,606</u>	<u>100.00</u>	<u>9,854,533,606</u>	<u>100.00</u>

*Notes:*

1. As at the date of this joint announcement, the Target Company was owned as to 51% by Mr. He, 30.77% by Mr. Li Xingxing, son of Mr. Li, and 18.23% by Strong Target. Strong Target is wholly-owned by Mr. Li.
2. Immediately after Completion, the Target Company will be owned as to 68.86% by the Offeror, as to 18.23% by Strong Target and as to 12.91% by Mr. He. The Offeror is wholly-owned by Mr. Li.
3. Ms. FOO Yatyan is the spouse of Mr. He.
4. Euro American is wholly-owned by Ms. Wang Li, the spouse of Mr. Li.
5. Certain percentage figures included in this table may be subject to rounding adjustments, if any.

### **INFORMATION ON THE OFFEROR**

The Offeror is an investment holding company incorporated in the BVI with limited liability, which is wholly-owned by Mr. Li as at the date of this joint announcement. The principal activity of the Offeror is holding of shares of companies including acquiring and holding the Sale Shares. Mr. Li is the chairman and an executive director of Geely Automobile Holdings Limited, the shares of which are listed on the Stock Exchange (Stock Code: 0175). Mr. Li is also the controlling shareholder, founder, chairman of the board of directors of Geely Holding. Geely Holding and its subsidiaries are principally engaged in the sale of automobiles and related parts and components wholesale and retail business. Mr. Li has over 35 years of experience in the investment and management of the automobile manufacturing business in the PRC.

As at the date of this joint announcement, (a) Mr. Li, the ultimate beneficial owner of the Offeror, held (i) 103,064,000 Shares directly, representing approximately 1.04% of the entire issued share capital of the Company; and (ii) 1,850,675,675 Shares indirectly through Geely HK, which is owned as to 91.08% by Mr. Li indirectly, representing approximately 18.78% of the entire issued share capital of the Company; (b) the Target Company held 4,065,000,000 Shares, representing approximately 41.25% of the entire issued share capital of the Company; (c) Ms. Wang Li, spouse of Mr. Li, held 50,000,000 Shares indirectly through Euro American, representing approximately 0.51% of the entire issued share capital of the Company; and (d) in addition to the Shares held by the Target Company, Mr. He and Ms. Foo held 57,939,189 Shares and 22,460,000 Shares, respectively, representing in aggregate approximately 0.82% of the entire issued share capital of the Company.

Save as disclosed above, none of the Offeror and the Offeror Concert Parties is interested in any Shares.

## **INTENTION OF THE OFFEROR IN RELATION TO THE GROUP**

Following the close of the Offers, the Offeror intends to continue the existing principal businesses of the Group.

The Offeror will conduct a review of the existing principal businesses and the financial position of the Group following the close of the Offers for the purpose of formulating business plans and strategies for the future development and expansion of the Group's principal business. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. Should such corporation actions materialize, further announcement(s) will be made in accordance with the GEM Listing Rules.

Save for the Offeror's intention regarding the Group as set out above, as at the date of this joint announcement, no investment or business opportunity has been identified nor has the Offeror entered into any agreements, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group, and the Offeror has no intention to discontinue the employment of the employees or to redeploy any fixed assets of the Group (other than in the ordinary and usual course of business of the Group) as at the date of this joint announcement.

### **Proposed change of the Board composition**

The Board is currently made up of three executive Directors, one non-executive Director and three independent non-executive Directors.

The Offeror intends to nominate new Directors to the Board in accordance with relevant requirements of the Takeovers Code, the Listing Rules or other applicable regulations. Any changes to the Board composition will be made in compliance with the Takeovers Code and the Listing Rules. As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated as new Directors. Further announcement(s)/ disclosure(s) will be made upon any changes to the composition to the Board in accordance with the requirements of the Listing Rules and the Takeovers Code as and when appropriate.

### **Public float and maintaining the listing status of the Company**

The Offeror intends to maintain the listing of the Shares on the Stock Exchange.

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25%, of the issued Shares are held by the public, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) that there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares.

Each of the Offeror and the new Directors to be appointed (if any) will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Offers.

## **GENERAL**

### **Establishment of the Independent Board Committee**

Pursuant to Rule 2.1 of the Takeovers Code, as at the date of this joint announcement, the Independent Board Committee has been formed in accordance with Rule 2.8 of the Takeovers Code to advise and give a recommendation to the Offer Shareholders and Optionholders in respect of the Offers, as to whether the terms of the Offers are fair and reasonable and as to the acceptance of the Offers. The Independent Board Committee comprises of all the non-executive Directors who are not interested in the Offers, being Mr. Chan Chun Wai, Tony, Mr. Ma Gang, Mr. Ha Chun and Mr. Yan Weimin. Mr. Chan Chun Wai, Tony and Mr. Yan Weimin holds 1,000,000 Shares and 30,000,000 Shares respectively, representing approximately 0.01% and 0.30% of the total issued share capital of the Company as at the date of this joint announcement. Their respective shareholding in the Company is small and their interests are no difference from other Offer Shareholders and are not considered to be interested in the Offers.

### **Appointment of Independent Financial Adviser**

The Independent Financial Adviser has been appointed and such appointment has been approved by the Independent Board Committee to advise the Independent Board Committee in respect of the Offers, as to whether the terms of the Offers are fair and reasonable, and as to the acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code. The letter of advice from the Independent Financial Adviser as to whether the terms of the Offers are fair and reasonable, and as to the acceptance of the Offers will be set out in the Composite Document to be despatched to the Shareholders.

## **Despatch of the Composite Document**

The Offeror and the Company intend to combine the offer document and the offeree board circular into the Composite Document which contains amongst others, details of the Offers, accompanied by the relevant form of acceptance and transfer, and incorporating the recommendation from the Independent Board Committee and the advice letter from the Independent Financial Adviser in respect of the Offers. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be posted within 21 days of the date of this joint announcement or such later date as the Executive may approve in accordance with the Takeovers Code.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

## **Dealing disclosure**

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company or the Offeror (including but not limited to a person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company or the Offeror) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the requirements of the Takeovers Code.

The full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

### ***Responsibilities of stockbrokers, banks and other intermediaries***

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Those who deal in relevant securities should therefore appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.*

## **WARNING**

**The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement, and strongly recommend the Offer Shareholders and the Optionholders not to form a view on the Share Offer and the Option Offer, respectively, unless and until they have received and read the letter from the Independent Board Committee containing its recommendations to the Offer Shareholders and the Optionholders in respect of the Offers and the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offers, which will be included in the Composite Document to be despatched to the Offer Shareholders and the Optionholders.**

**The Offers will only be made if Completion takes place. Completion is conditional upon the fulfilment or waiver (where applicable) of the Conditions. Accordingly, the Offers may or may not proceed. Shareholders, Optionholders and potential investors should exercise caution when dealing in the securities of the Company. If the Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.**

## **DEFINITIONS**

In this joint announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“BVI”	British Virgin Islands
“Company”	Honbridge Holdings Limited (洪橋集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM of the Stock Exchange
“Completion”	completion of the sale of the Sale Shares pursuant to the Sale and Purchase Agreement
“Completion Cash Payment”	the part payment of the Consideration in the amount of HK\$22,391,600 payable in cash by the Offeror to the Vendors at Completion under the Sale and Purchase Agreement

“Completion Date”	date of Completion, being any day specified by the Offeror within 10 days after all Conditions are satisfied (except such Conditions which are waived by the Offeror) or any other day specified by the Offeror
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders and the Optionholders in connection with the Offers in compliance with the Takeovers Code
“Conditions”	the conditions precedent to Completion set out in the Sale and Purchase Agreement
“Consideration”	the consideration in the sum of HK\$223,916,000 payable by the Offeror to the Vendors for the acquisition of the Sale Shares
“Director”	the director(s) of the Company
“Euro American”	Euro American International Investment Group Limited, a company incorporated in the BVI with limited liability and wholly owned by Ms. Wang Li, spouse of Mr. Li
“Executive”	the executive director of the Corporate Finance Division of the SFC from time to time and any delegate of such executive director
“Geely HK”	Geely International (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, which is owned as to 91.08% by Mr. Li indirectly
“Geely Holding”	浙江吉利控股集團有限公司 Zhejiang Geely Holding Group Company Limited*, a company incorporated in the PRC, which is owned as to 91.08% by Mr. Li indirectly
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries

“GTJA Capital”	Guotai Junan Capital Limited, a corporation licensed under the SFO permitted to engage in type 6 regulated activities (as defined under the SFO), and the Financial Adviser to the Offeror in respect of the Offers
“GTJA Securities”	Guotai Junan Securities (Hong Kong) Limited, a corporation licensed under the SFO permitted to engage in type 1 and type 4 regulated activities (as defined under the SFO) and a fellow subsidiary of GTJA Capital, being the agent making the Offers for and on behalf of the Offeror
“He Controlled Shares”	the aggregate number of 80,399,189 Shares, which comprise (i) 57,939,189 Shares, representing approximately 0.59% of the total issued share capital of the Company as at the date of this joint announcement, held by Mr. He; and (ii) 22,460,000 Shares, representing approximately 0.23% of the total issued share capital of the Company as at the date of this joint announcement, held by Ms. Foo
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising all the non-executive Directors who are not interested in the Offers, namely Mr. Chan Chun Wai, Tony, Mr. Ma Gang, Mr. Ha Chun and Mr. Yan Weimin established for the purpose of advising and giving a recommendation to the Offer Shareholders and Optionholders in respect of the Offers and in particular as to whether the terms of the Offers are fair and reasonable and as to acceptance of the Offers
“Independent Financial Adviser”	Ballas Capital Limited, a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which has been appointed as the independent financial adviser to advise the Independent Board Committee, the Offer Shareholders and the Optionholders in connection with the Offers

“Irrevocable Undertakings”	collectively, the irrevocable undertakings given by Mr. He and Ms. Foo pursuant to and in connection with the Sale and Purchase Agreement, details of which are set out in the paragraph headed “The Irrevocable Undertakings” of the section “THE SALE AND PURCHASE AGREEMENT” of this joint announcement
“Last Trading Day”	12 January 2023, being the last trading day of the Shares immediately prior to the publication of this joint announcement
“Long Stop Date”	31 January 2023 or such later date as may be agreed in writing by the parties to the Sale and Purchase Agreement
“Mr. He”	Mr. He Xuechu, an executive Director
“Mr. Li”	Mr. Li Shufu, an executive director and the controlling shareholder of Geely Holding
“Ms. Foo”	Ms. FOO Yatyan, the spouse of Mr. He
“Offer Period”	has the meaning ascribed to it under the Takeovers Code
“Offer Price”	HK\$0.08 per Offer Share in respect of the Share Offer
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned or agreed to be acquired by the Offeror and the Offeror Concert Parties
“Offer Shareholders”	the Shareholders other than the Offeror and the Offeror Concert Parties
“Offeror”	Geely Group Limited, a company incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. Li
“Offeror Concert Parties”	the parties acting in concert, or presumed to be acting in concert, with the Offeror under the definition of “acting in concert” under the Takeovers Code, including but not limited to the Vendors, the Target Company, Ms. Foo, Geely HK, Mr. Li, Euro American and Ms. Wang Li

“Offers”	Share Offer and Option Offer
“Optionholder(s)”	holder(s) of the Share Option(s)
“Option Offer”	the mandatory unconditional cash offer to be made by GTJA Securities, on behalf of the Offeror, for the cancellation of all the outstanding Share Options held by the Optionholders in accordance with the Takeovers Code
“Option Offer Price”	HK\$0.001 for each Share Option, payable by the Offeror to the Optionholders who tendered their Share Options for cancellation under the Option Offer
“Overseas Optionholders”	Optionholder(s) whose registered address(es), as shown on the register of Optionholders of the Company, is/are outside Hong Kong
“Overseas Shareholders”	Shareholder(s) whose addresses, as shown on the register of members of the Company, are outside Hong Kong
“PRC”	the People’s Republic of China (for the purpose of this joint announcement, excluding Hong Kong, the Macao Special Administrative Region and Taiwan)
“Promissory Notes”	the non-interest bearing and unsecured promissory notes to be issued by the Offeror to the Vendors for settlement of the Consideration in part under the Sale and Purchase Agreement
“Sale Share(s)”	an aggregate of 6,886 shares in the Target Company held by the Vendors, representing 68.86% of the total issued share capital of the Target Company as at the date of the Sale and Purchase Agreement
“Sale and Purchase Agreement”	the sale and purchase agreement dated 12 January 2023 and entered into, among others, the Vendors and the Offeror in relation to the acquisition of the Sale Shares
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Share(s)”	ordinary share(s) of HK\$0.001 each in the issued share capital of the Company
“Share Offer”	the possible unconditional mandatory cash offer to be made by GTJA Securities for and on behalf of the Offeror for the Offer Shares in accordance with the Takeovers Code
“Share Option”	share option(s) granted by the Company pursuant to the Share Option Scheme
“Share Option Scheme”	the share option schemes adopted by the Company on 21 May 2012, which entitles holder(s) thereof to subscribe for new Shares in accordance with the terms and conditions thereof
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strong Target”	Strong Target International Limited, a company incorporated in the BVI with limited liability and wholly owned by Mr. Li
“Takeovers Code”	the Code on Takeovers and Mergers published by the SFC
“Target Company”	Hong Bridge Capital Limited, a company incorporated in the BVI with limited liability, which will be owned as to 87.09% by Mr. Li indirectly after Completion
“Vendors”	collectively, Mr. He and Mr. Li Xingxing

By order of the board of directors of  
**Geely Group Limited**  
**LI Shufu**  
*Director*

By order of the board of directors of  
**Honbridge Holdings Limited**  
**LIU Wei, William**  
*Executive Director and  
Joint Chief Executive Officer*

Hong Kong, 12 January 2023

*As at the date of this joint announcement, the Board comprises Mr. He Xuechu, Mr. Liu Jian and Mr. Liu Wei, William as executive Directors; Mr. Yan Weimin as non-executive Director and Mr. Chan Chun Wai, Tony, Mr. Ma Gang and Mr. Ha Chun as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement relating to the Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by the Directors in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the sole director of the Offeror is Mr. Li Shufu. The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than any information relating to the Group) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*This joint announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Listed Company Information” page for at least seven days from the date of its posting and on the Company’s website at <https://8137.hk/>.*

*\* For reference only*