

**4 December 2024**

**ESR GROUP LIMITED**

and

**MEGA BIDCO**

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**IMPLEMENTATION AGREEMENT**

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**LATHAM & WATKINS<sup>LLP</sup>**

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**THIS AGREEMENT** is made on 4 December 2024

**BETWEEN:**

- (1) **ESR GROUP LIMITED**, a company incorporated in the Cayman Islands with its registered office at Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, the Cayman Islands (the “**Company**”); and
- (2) **MEGA BIDCO**, a company incorporated in the Cayman Islands with its registered office at the offices of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands (the “**Offeror**”).

**WHEREAS:**

- (A) The Offeror intends to acquire all of the Shares in the Company on the terms to be set out in the Announcement intended to be announced on or around the date of this Agreement.
- (B) The acquisition is intended to be effected by means of a scheme of arrangement under section 86 of the Companies Act (2023 Revision) of the Cayman Islands (the “**Companies Act**”) on the terms and subject to the conditions set out in the Announcement (as defined below) (the “**Scheme**”). Upon the Scheme being approved and implemented, all of the Scheme Shares will be cancelled and extinguished, and the issued share capital of the Company will be maintained by the issuance of new Shares to the Offeror, the Company will be privatised by the Offeror, and the listing of the Shares on the Stock Exchange will be withdrawn.
- (C) The Offeror will also make the Option Offers and the Award Proposal to the holders of the Company’s outstanding Options and Awards respectively.
- (D) The Offeror wishes to request the Company, and the Company agrees, to put forward the Proposal (including the Scheme) to the Shareholders for consideration on the terms of this Agreement.
- (E) The Parties are entering into this Agreement to take certain steps to implement the Scheme and wish to record their respective obligations relating to such matters.

**THE PARTIES AGREE** as follows:

**1. INTERPRETATION**

- 1.1 In this Agreement (including the recitals), terms used and defined in the Announcement shall have the same meaning when used herein unless otherwise defined:

“**Affiliate**” means in relation to a person, any person, Controlling, Controlled by or under common Control with such particular person, provided that an Affiliate of the Offeror shall not include:

- (a) each of the Consortium Members and the Affiliates of such Consortium Member;
- (b) any investment fund or vehicles managed or advised by the persons in (a); or
- (c) any investee companies of any of the persons in (a) and (b);

“**Agreed Form**” means, in relation to a document, the form of that document which has been confirmed via email for the purposes of identification by the Offeror and the Company or their respective legal representatives on or prior to the date of this Agreement;

**“Announcement”** means the joint announcement of the Offeror and the Company pursuant to Rule 3.5 of the Takeovers Code relating to the Proposal, substantially in the form set out in Schedule 1 to this Agreement (subject to such changes as may be requested by the Executive and/or the Stock Exchange and agreed between the Company and Offeror);

**“Anti-Bribery Laws”** means (a) the U.S. Foreign Corrupt Practices Act of 1977, and the rules and regulations issued thereunder; (b) the UK Bribery Act of 2010; (c) the Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong); (d) the Criminal Law of the People’s Republic of China and the Anti-Unfair Competition Law of the People’s Republic of China, in the case of (a) to (d) each as supplemented, amended, re-enacted or replaced from time to time, together with their implementing regulations, and as if directly applicable (whether or not applicable as a matter of law); and (e) any other Applicable Law that relates to bribery or corruption;

**“Anti-Money Laundering Laws”** means (a) the U.S. Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56; (b) the U.S. Currency and Foreign Transaction Reporting Act of 1970; (c) the U.S. Money Laundering Control Act of 1986; (d) the UK Proceeds of Crime Act of 2002; (e) the UK Terrorism Act of 2000; (f) the Organised and Serious Crimes Ordinance (Cap. 455 of the laws of Hong Kong); (g) the Drug Trafficking (Recovery of Proceeds) Ordinance (Cap. 405 of the laws of Hong Kong); (h) the United Nations (Anti-Terrorism Measures) Ordinance (Cap. 575 of the laws of Hong Kong); (i) the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the laws of Hong Kong); (j) the United Nations Sanctions Ordinance (Cap. 537 of the laws of Hong Kong); (k) the Weapons of Mass Destruction (Control of Provision of Services) Ordinance (Cap. 526 of the laws of Hong Kong); (l) the Criminal Law of the People’s Republic of China and related judicial interpretations including the Interpretation of the Supreme People’s Court on Several Issues Concerning the Specific Application of the Laws in the Trial of Money Laundering and Other Criminal Cases, and the Anti-Money Laundering Law of the People’s Republic of China, in each case of (a) to (l), as supplemented, amended, re-enacted or replaced from time to time and as if directly applicable (whether or not applicable as a matter of law); and (m) any other Applicable Law that relates to money laundering (including financial recordkeeping and reporting requirements);

**“Applicable Laws”** means, with respect to any person, any laws, rules, regulations, guidelines, directives, treaties, judgments, decrees, orders or notices of any Governmental Authority that is applicable to such person (including the Takeovers Code and the Listing Rules);

**“Approvals”** means, in respect of each Group Company, all legal and regulatory licenses, orders, permissions, authorisations, warrants, confirmations, certificates, membership, registrations, approvals and consents required for carrying on its business effectively in the places and in the manner in which it is carried on at the date of this Agreement in accordance with all Applicable Laws;

**“Business Day”** means a day on which the Stock Exchange is open for the transaction of business;

**“CRC”** means the consortium representative committee constituted on or around the date of this Agreement and maintained by the Consortium comprising of certain core members of the Consortium, which shall be responsible for handling requests (including consent requests) (and empowered to give consents on behalf of the Offeror) relating to and managing matters set out in Clause 6 and the progress of the Proposal;

**“Control”** means with respect to any person:

- (a) the right or power, directly or indirectly, to direct or cause the direction of the management and policies of such person (whether through ownership of voting shares or partnership or other ownership interests, by contract or otherwise);

- (b) the ability, directly or indirectly, to exercise more than 50% of the votes at any general meeting (or equivalent) of such person; or
- (c) the ability to appoint or remove more than 50% of the members to the board of directors (or any equivalent governing body) of such person,

and the terms “**Controlled**” and “**Controlling**” shall have correlative meanings;

“**Court Hearing(s)**” means the court hearing of the Grand Court of the Cayman Islands (including any of its adjournments or postponements) to hear the petition to sanction the Scheme;

“**Despatch Date**” means the date of despatch of the Scheme Document;

“**disclosed**” means any fact, matter or circumstance fairly disclosed in: (i) the virtual data room hosted by Intralinks made available to the Offeror (or its advisors) in connection with the Proposal; (ii) during any formal management presentations held in connection with the Proposal; or (iii) in writing (including in emails), in each case with sufficient details to enable a reasonable offeror to be aware of the nature and scope of the relevant fact, matter or circumstance purported to be disclosed;

“**Due Diligence Process**” means the due diligence process conducted by the Consortium in relation to the Group prior to the date of this Agreement;

“**Encumbrance**” means any claim, charge, mortgage, security, pledge, lien, option, restriction, equity, power of sale, hypothecation or other third party rights or interest, retention of title, right of pre-emption, right of first refusal or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing;

“**Executive**” means the Executive Director of the Corporate Finance Division of the SFC or any delegate for the time being of the Executive Director;

“**Fund Entity**” means the Material Funds and their subsidiaries (including corporate entities or partnerships) which hold the assets of that Material Fund as at the date of this Agreement;

“**Fundamental Warranties**” means the warranties set out under paragraphs 1(a) to 1(c) (inclusive), 2, 3(a) and 3(b) of Schedule 2;

“**Government Official**” means any:

- (a) official, officer, employee, or representative of, or any person acting in an official capacity for or on behalf of, any Governmental Authority;
- (b) political party or party official or candidate for political office;
- (c) Politically Exposed Person (PEP) as defined by the Financial Action Task Force (FATF);
- (d) Company, business, enterprise, or other entity owned, in whole or in part, or Controlled by any person described in the foregoing sub-paragraphs (a), (b) or (c) above; or
- (e) individual who (i) holds a legislative, administrative or judicial position of any kind, whether appointed or elected, of a country or territory (or any subdivision of such a country or territory); (ii) exercises a public function for or on behalf of a country or territory (or any subdivision of such a country or territory) or for any public agency or public enterprise of that country or territory (or subdivision); or (iii) is an official or agent of a public international organisation;

**“Material Funds”** means the funds named on a list in the Agreed Form;

**“Material Fund Document”** means in respect of a Material Fund, the principal documents governing the terms of the operation and management of such Material Fund (including its constitutional documents, partnership agreement, investment management agreement, asset management agreement and related ancillary documents);

**“Minority Roll Up”** means the roll up of the founders of the country businesses of the Group which have been identified to the Offeror (or its advisors) on or prior to the date of this Agreement with sufficient details to enable the Offeror to reasonably identify the nature and scope of the matter;

**“NDA”** means the confidentiality agreement dated on or around 11 June 2024 entered into between the Company and certain members of the Consortium;

**“Notice”** has the meaning given to it in Clause 14.1;

**“Offeror Group”** means the Offeror and each of its Affiliates including, for the avoidance of doubt, the Group Companies from the Effective Date for the purposes of Clause 3.2(y);

**“Parties”** means the named parties to this Agreement and **“Party”** means any one of them;

**“Representative”** means, with respect to any Party, its Affiliates and its and their respective directors, officers, employees, agents, consultants and professional advisers;

**“Rules”** has the meaning given to it in Clause 16.2;

**“Sanctioned Person”** means any individual, legal person, entity, organisation or vessel:

- (a) designated on any Sanctions List;
- (b) that is, or is part of, a government of a Sanctioned Territory;
- (c) directly or indirectly 50% or more owned or controlled by any of the foregoing in paragraphs (a) and (b);
- (d) that is located, operating, organised or residing in any Sanctioned Territory; or
- (e) otherwise targeted under any Sanctions Laws;

**“Sanctioned Territory”** means any country, region or other territory subject to a comprehensive trade embargo under any Sanctions Law, which countries, as at the date of this Agreement, include the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the Crimea Region of Ukraine, Cuba, Iran, North Korea and Syria;

**“Sanctions Authority”** means: (a) the United States; (b) the United Nations Security Council; (c) the European Union; (d) the United Kingdom; and (e) the respective governmental institutions and agencies of any of the foregoing including, without limitation, His Majesty’s Treasury, the Office of Foreign Assets Control of the U.S. Department of Treasury (**“OFAC”**), the U.S. Department of Commerce, the U.S. Department of State and any other agency of the U.S. government;

**“Sanctions Laws”** means any and all applicable law concerning economic or financial sanctions or trade embargoes or related restrictive measures enacted, imposed, administered or enforced from time to time by any Sanctions Authority;

**“Sanctions List”** means any of the lists of restricted or sanctioned individuals or entities (or equivalent) enacted, issued, administered or enforced by any Sanctions Authority, including, for the avoidance of doubt, those individuals or entities listed on:

- (a) the Specially Designated Nationals and Blocked Persons List and the Non-SDN Consolidated Sanctions List (as amended, supplemented or substituted from time to time), in each case maintained by OFAC;
- (b) the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions maintained by the European Commission; or
- (c) the Consolidated List of Financial Sanctions Asset Freeze Targets maintained by His Majesty’s Treasury;

**“Scheme Documentation”** means the Announcement, the Scheme Document and any other document required to be published in connection with the Proposal;

**“Tax”** means all forms of tax, levy, duty, impost, contribution, liability and charge in the nature of taxation and all related withholdings or deductions of any fiscal nature, including, for the avoidance of doubt, any excise, property, value added, sales, use, stamp, occupation, transfer, franchise or payroll taxes and any social security or social fund contributions, together with all penalties, charges, fees and interest relating to any of the foregoing or to any late or incorrect return in respect of any of them;

**“Transaction Documents”** means this Agreement, the Scheme Documentation and each of the documents in the Agreed Form;

**“Warranties”** means the warranties given by the Company and contained in this Agreement as set out in Schedule 2 and **“Warranty”** means any one of them;

**“Warranty Claim”** means a claim for breach of Warranties; and

**“Working Hours”** means 9:00 am to 6:00 pm in the location of the recipient on a Business Day.

1.2 In this Agreement, unless otherwise specified:

- (a) references to a recital, paragraph, Clause or Schedule shall refer to those of this Agreement unless stated otherwise, and references to paragraphs are references to paragraphs of the specified Schedule (or, if no Schedule is specified, paragraphs of the Schedule in which the reference appears);
- (b) the Schedules comprise schedules to this Agreement and form part of this Agreement. The Recitals comprise recitals to this Agreement and form part of this Agreement.
- (c) the headings and sub-headings are inserted for convenience only and shall not affect the construction of this Agreement;
- (d) use of any gender includes the other genders and use of the singular includes the plural and vice versa unless the context requires otherwise;
- (e) references to a **“person”** include any individual, body corporate, limited liability partnership, partnership, trust, government, state or agency of a state or any joint venture, and any business trust, unincorporated association or organisation, in each case whether or not having separate legal personality;

- (f) a reference to any Party to this Agreement or any other agreement or document includes the party's successors and permitted assigns;
- (g) a reference to "**writing**" or "**written**" includes any method of producing or reproducing words in a legible and non-transitory form (including email), but references to "**signed in writing**" or "**in writing signed by a Party**" (or similar) shall be limited to a document (whether in hard copy or electronic form) to which the manuscript or electronic (through DocuSign or similar, excluding for these purposes the use of an email signature) signature of an authorised signatory of the relevant Party has been applied; and
- (h) references to any document (including this Agreement) are references to that document as amended, consolidated, supplemented, novated or replaced from time to time;
- (i) except as otherwise expressly provided in this Agreement, any express reference to an enactment (which includes any legislation in any jurisdiction) includes references to (i) that enactment as amended, consolidated or re-enacted by or under any other enactment before or after the date of this Agreement; (ii) any enactment which that enactment re-enacts (with or without modification); and (iii) any subordinate legislation (including regulations) made (before or after the date of this Agreement) under that enactment, as amended, consolidated or re-enacted as described at (i) or (ii) above, except to the extent that any of the matters referred to in (i) to (iii) occurs after the date of this Agreement and increases or alters the liability of a Party under this Agreement;
- (j) the *ejusdem generis* principle of construction shall not apply to this Agreement, and general words shall not be given a restrictive meaning because they are followed by words which are particular examples of the acts, matters or things covered by the general words and the words "includes" and "including" shall be construed as illustrative and without limitation;
- (k) any reference to a "**day**" (including within the phrase "**Business Day**") shall mean a period of 24 hours running from midnight to midnight; and
- (l) references to times are to Hong Kong time.

## 2. REQUEST TO PUT THE PROPOSAL FORWARD AND RELEASE OF ANNOUNCEMENT

- 2.1 The Offeror hereby requests the Company to put forward the Proposal to the Shareholders and the Company agrees to do so on the terms set out in this Agreement.
- 2.2 Each Party will use commercially reasonable endeavours to release the Announcement on the website of the Stock Exchange and the Company as soon as practicable after obtaining the approval of the Executive and the Stock Exchange after the date of this Agreement. All rights and obligations in this Agreement (other than the rights and obligations in this Clause 2.2 and in Clauses 10, 11, 12, 13, 14, 15 and 16) shall be conditional upon such release of the Announcement.

## 3. PRE-CONDITIONS TO THE IMPLEMENTATION OF THE PROPOSAL

- 3.1 The Offeror and the Company agree that, subject to the requirements of the Executive, the making of the Proposal is subject to the satisfaction or waiver of the following pre-conditions (the "**Pre-Conditions**") before the Pre-Conditions Long Stop Date:
  - (a) notice having been provided to the United Kingdom Financial Conduct Authority under section 178 of FSMA, and the United Kingdom Financial Conduct Authority, in respect



of the Offeror and any other persons acquiring or increasing control in connection with the implementation of the Proposal over entities in the Group which are regulated by the United Kingdom Financial Conduct Authority, for the purposes of Part XII of FSMA:

- (i) having given notice in writing of its unconditional approval of the acquisition or increase in control by the Offeror and any other persons in accordance with section 189(4)(a) of FSMA;
  - (ii) having given notice in writing that it proposes to approve the acquisition or increase of control by the Offeror and any other persons subject to conditions in accordance with section 189(4)(b)(i) of FSMA where those conditions are satisfactory to the Offeror; or
  - (iii) being treated as having approved the acquisition or increase of control by the Offeror and any other persons in accordance with section 189(6) of FSMA;
- (b) all necessary consents which are either unconditional or subject to conditions which are satisfactory to the Offeror having been obtained under the Overseas Investment Act 2005 (NZ) for, or in connection with, the implementation of the Proposal;
- (c) either:
  - (i) the Treasurer of the Commonwealth of Australia (or his or her delegate) having provided a written notice under the Australian Foreign Acquisitions and Takeovers Act 1975 to the effect that, the Australian Commonwealth Government does not object to the implementation of the Proposal, either without conditions (other than the conditions set out in the list of standard tax conditions published in FIRB Guidance 12 – Tax Conditions on the FIRB website under “Guidance notes”) or otherwise on terms acceptable to the Offeror; or
  - (ii) following notice of the Proposal to the Treasurer of the Commonwealth of Australia under the Australian Foreign Acquisitions and Takeovers Act 1975, the Treasurer of the Commonwealth of Australia ceasing to be empowered to make any order under Division 2 of Part 3 of the Australian Foreign Acquisitions and Takeovers Act 1975;
- (d) approval from the SFC which is either unconditional or subject to conditions which are satisfactory to the Offeror having been obtained for the Offeror and any other person becoming a “substantial shareholder” (as defined in Schedule 1 of the SFO) of the relevant SFC regulated entities in the Group as a result of the implementation of the Proposal pursuant to section 132 of the SFO, and such approval being in full force and effect;
- (e) following the submission of an application for approval from the Monetary Authority of Singapore, pursuant to Section 97A of the SFA, for the Offeror and any other person to acquire effective control of certain licensed entities in the Group in connection with the implementation of the Proposal, the Monetary Authority of Singapore:
  - (i) having given notice in writing of its unconditional approval pursuant to Section 97A of the SFA; or
  - (ii) having given notice in writing of its approval pursuant to Section 97A of the SFA subject to conditions which are satisfactory to the Offeror, and where one or more of the conditions are required by the Monetary Authority of Singapore

to be satisfied prior to completion of the implementation of the Proposal, such conditions having been satisfied,

and, in either case, such approval not having been withdrawn or revoked;

- (f) notification having been received from the Guernsey Financial Services Commission that:
  - (i) it does not object to the Offeror and any other person who will become the holder of a “vetted supervised role” or “approved supervised role” (each as defined in section 39(1) and 39(2) respectively of the POI Law) of the relevant member of the Group pursuant to POI Law as a consequence of the implementation of the Proposal becoming a holder of a vetted supervised role or an approved supervised role (as applicable), in each case in accordance with sections 40(1) and 41(1) respectively of the POI Law; and
  - (ii) to the extent consent or objection is required in respect of the implementation of the Proposal pursuant to the terms of any authorisations, registrations, exemptions, consents, permits or licenses issued by the Guernsey Financial Services Commission to any other Group Company, consent or no objection that is either unconditional in all respects or subject to conditions which are satisfactory to the Offeror having been received from the Guernsey Financial Services Commission;
- (g) notification having been provided to the Shanghai Municipal Financial Regulatory Bureau in accordance with the local regulatory requirements, in respect of the Offeror acquiring an indirect shareholding in the limited partners and the manager of 上海易渊股权投资基金合伙企业（有限合伙），which is a QFLP regulated by the Shanghai Municipal Financial Regulatory Bureau, as a result of implementing the Proposal, and the Company not having received any objection from the Shanghai Municipal Financial Regulatory Bureau (or the Shanghai Municipal Financial Regulatory Bureau otherwise imposing conditions in connection with the Proposal (if any) which are satisfactory to the Offeror and which have been satisfied);
- (h) approval by the Korea Fair Trade Commission of the business combination report regarding the Proposal which is either unconditional or subject to conditions which are satisfactory to the Offeror having been obtained by the Offeror, and such approval not having been withdrawn or revoked; and
- (i) (A) all other approvals by any Governmental Authority in any jurisdiction which are required under Applicable Laws to enable the making of the Proposal or its implementation in accordance with its terms having been obtained without any conditions (other than, without prejudice to Clause 3.2(d), conditions satisfactory to the Offeror) imposed by the relevant Governmental Authority, and (B) neither of the Parties having received any written notice from any Governmental Authority in any jurisdiction which prohibits the Proposal or makes the consummation of the Proposal or its implementation in accordance with its terms void, unenforceable or illegal.

3.2 The Offeror shall use commercially reasonable endeavours (without prejudice to the Company’s compliance with Clause 3.3) to procure the satisfaction of the Pre-Conditions as soon as reasonably practicable and in any case before 6:00 p.m. on the Pre-Conditions Long Stop Date, and in that regard shall:

- (a) make all filings and notifications required to obtain the Pre-Conditions as soon as is reasonably practicable following the date of this Agreement;

- (b) to the extent permitted by Applicable Laws, provide as soon as reasonably practicable to the Company or its nominated advisers:
  - (i) draft copies of all notifications, submissions or responses to be made to or other written communication with any Governmental Authority before their submission or filing, and having regard to any reasonable comments from the Company on the same received by the Offeror in good time ahead of submission; and
  - (ii) copies of all notifications, submissions or responses made to, and any other material written communications with (and summaries of any material calls with), any Governmental Authority;
- (c) keep the Company regularly updated as to the progress of any applications and/or notifications made to any Governmental Authority in relation to the Pre-Conditions; and
- (d) consider in good faith any reasonable conditions or undertakings (or amendments to the basis on which applications and/or notifications in respect of the Pre-Conditions are made) which are proposed by any Governmental Authority and required in connection with or in order to satisfy the Pre-Conditions,

provided in each case that:

- (x) information or documentation that is, in the reasonable opinion of the Offeror, confidential or competitively or commercially sensitive as regards, or would adversely affect the assets, business or plans of the Offeror or its Affiliates or any Consortium Member or the Affiliates of such Consortium Member (including any personal data relating to an identified or identifiable officer director or employee of the Offeror or its Affiliates or any Consortium Member or the Affiliates of such Consortium Member), protected by legal professional privilege or litigation privilege, or subject to any third party confidentiality undertakings or otherwise constitutes 'inside information' of the Company under Applicable Laws, may be redacted or removed from the information provided to any Governmental Authority or the Company pursuant to this Clause 3.2; and
- (y) notwithstanding anything to the contrary in any Transaction Document, in no event shall any Transaction Document require that the Offeror agrees to:
  - (i) sell, divest, transfer, license, dispose or hold separate (through the establishment of a trust or otherwise) any assets, properties or businesses of any member of the Group;
  - (ii) any material and adverse limitation, action, restriction, condition or requirement on or relating to any member of the Group;
  - (iii) make, or commit to make, any capital contribution or enter into or issue any capital guarantee or keepwell; or
  - (iv) any limitation, action, restriction, condition or requirement on or relating to any Consortium Member, the Affiliates of such Consortium Member, any investment fund or vehicles managed or advised by such persons or any investee companies of any of the foregoing.

### 3.3 The Company:

- (a) shall use commercially reasonable endeavours to:
  - (i) cooperate in, and provide promptly such assistance; and
  - (ii) promptly furnish all information concerning the Group and its business, and such access to the documents and management of each Group Company,
 

that is reasonably requested or necessary in connection with the preparation, filing, approval, distribution and making of filings and applications and any subsequent submissions and responses to any Governmental Authority in connection with the Pre-Conditions (provided that information or documentation that is, in the reasonable opinion of the Company, confidential or competitively or commercially sensitive as regards, or would adversely affect the assets, business or plans of the Company or its Affiliates (including any personal data relating to an identified or identifiable officer director or employee of the Company or its Affiliates), protected by legal professional privilege or litigation privilege, or subject to any third party confidentiality undertakings or otherwise constitutes 'inside information' of the Company under Applicable Laws, may be redacted or removed from the information provided to any Governmental Authority or the Offeror pursuant to this Clause 3.3;
- (b) shall not, and shall procure that none of its Representatives shall, knowingly take any action that could reasonably be expected to materially adversely affect the satisfaction of any Pre-Condition; and
- (c) shall, provided no such objection has been received, on or around the date on which the last of the Pre-Conditions (other than the Pre-Condition in Clause 3.1(g)) is satisfied or waived, deliver to the Offeror a certificate duly signed by a director of the Company confirming that it has not received any objection from the Shanghai Finance Bureau in connection with the notification made to satisfy the Pre-Condition in Clause 3.1(g) (and upon the delivery of such certificate, the Pre-Condition in Clause 3.1(g) shall be deemed satisfied).

#### *Waiver*

- 3.4 The Pre-Conditions (other than the Pre-Conditions in Clauses 3.1(g) and 3.1(i)) cannot be waived in any event, but the Offeror may, in its sole discretion and to the extent as it thinks fit depending on the progress made on the satisfaction of the Pre-Conditions, elect to proceed with the implementation of the Proposal notwithstanding that not all of the Pre-Conditions have been fully satisfied by the Pre-Conditions Long Stop Date, provided that the Pre-Conditions are fully satisfied by the Conditions Long Stop Date.
- 3.5 The Offeror may, in its sole and absolute discretion and to the extent as it thinks fit, unilaterally waive in whole or in part the Pre-Conditions in Clauses 3.1(g) and 3.1(i), by signed written notice to the Company.

#### *Notifications*

- 3.6 If at any time, a Party becomes aware:
  - (a) that a Pre-Condition in respect of which it is obliged to take steps pursuant to this Clause 3 has been satisfied; or
  - (b) of any occurrence, fact or circumstance that will or is reasonably likely to prevent any Pre-Condition from being satisfied by the Pre-Conditions Long Stop Date or the Extended Pre-Conditions Long Stop Date,

it shall promptly provide written notice of this, setting out such details as are available, to the other Party (unless the other Party has already given such notice), and the Parties shall cooperate with each other to make all such announcements and communications with all relevant Governmental Authorities as may be necessary to comply with Applicable Laws, the Listing Rules and the Takeovers Code in accordance with Clause 10.2.

#### *Pre-Conditions Long Stop Date*

- 3.7 Subject to permission from the Executive, if any of the Pre-Conditions is not fulfilled by 6:00 pm on the Pre-Conditions Long Stop Date, either Party may request by written notice to the other Party one or more times to extend the Pre-Conditions Long Stop Date to such later date mutually agreed in writing between the Parties (any such later date being the “**Extended Pre-Conditions Long Stop Date**”).

#### **4. CONDITIONS TO THE IMPLEMENTATION OF THE PROPOSAL**

- 4.1 The Offeror and the Company agree that, subject to the requirements of the Executive, the implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Scheme Shareholders, subject to the satisfaction or (if applicable) waiver of the following conditions (the “**Conditions**”) before the Conditions Long Stop Date:

- (a) the approval of the Scheme (by way of poll) at the Court Meeting by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by Disinterested Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Shareholders that are voted, either in person or by proxy, at the Court Meeting, provided that the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting, either in person or by proxy, at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all Disinterested Shareholders;
- (c) the passing by the Shareholders at the EGM of a special resolution (by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting, either in person or by proxy, at the EGM) to approve and give effect to any reduction of the issued share capital of the Company by the cancellation of the Scheme Shares, and to apply the reserve created by the cancellation of the Scheme Shares to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation and extinguishment of the Scheme Shares by the allotment and issue to the Offeror of such number of new Shares (credited as fully paid at par) as is equal to the number of the Scheme Shares cancelled;
- (d) the sanction of the Scheme (with or without modifications) by the Court and the delivery of a copy of the order of the Court to the Registrar of Companies for registration;
- (e) all Authorisations which are required under or in connection with any Applicable Laws or any licenses or permits of the Company in connection with the Proposal or its implementation in accordance with its terms having been obtained and remaining in full force and effect without modification;
- (f) between the date of this Agreement up to the time when the Scheme becomes effective, no Governmental Authority having taken or instituted any action, proceeding, suit, investigation or enquiry, or enacted, made, proposed, issued, enforced or imposed any

Applicable Laws, or other legal restraint or prohibition that would make the Proposal or its implementation in accordance with its terms void, unenforceable or illegal, or which would impose any material and adverse conditions or obligations with respect to the Proposal or participation therein, or its implementation in accordance with its terms, or otherwise restrain or prohibit the implementation of the Proposal, or cause any transaction contemplated by the Proposal to be rescinded or otherwise disposed of after its implementation; and

- (g) between the date of this Agreement up to immediately prior to the time when the Scheme becomes effective, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal).

#### 4.2 Each Party:

- (a) shall, and the Company shall procure that each relevant Group Company shall, use commercially reasonable endeavours to procure the satisfaction of the Conditions as soon as reasonably practicable and in any case before 6:00 p.m. on the Conditions Long Stop Date, in consultation with (and keeping promptly updated, and sending no communications to the third parties without the prior written consent of) the other Party;
- (b) shall use commercially reasonable endeavours to:
  - (i) cooperate in, and provide promptly such assistance; and
  - (ii) promptly furnish all information concerning the Offeror Group or the Group (as applicable) and its respective business, and such access to the documents and management of each member of the Offeror Group or the Group (as applicable),

that is reasonably requested or necessary in connection with the preparation, filing, approval, distribution and making of filings and applications and any subsequent submissions and responses to any Governmental Authority in connection with the Conditions (provided that information or documentation that is, in the reasonable opinion of the Company, confidential or competitively or commercially sensitive as regards, or would adversely affect the assets, business or plans of the Group or its Affiliates (including any personal data relating to an identified or identifiable officer director or employee of the Company or its Affiliates), protected by legal professional privilege or litigation privilege, or subject to any third party confidentiality undertakings, or otherwise constitutes 'inside information' of the Company under Applicable Laws, may be redacted or removed from the information provided to any Governmental Authority or the Offeror pursuant to this Clause 4.2; and

- (c) to the extent permitted by Applicable Laws, shall provide as soon as reasonably practicable to the other Party or its nominated advisers:
  - (i) draft copies of all notifications, submissions or responses to be made to or other written communication with any Governmental Authority before their submission or filing, and having regard to any reasonable comments from the other Party on the same received by it in good time ahead of submission; and
  - (ii) copies of all notifications, submissions or responses made to, and any other material written communications with (and summaries of any material calls with), any Governmental Authority;

provided that information or documentation that is, in its reasonable opinion, confidential or competitively or commercially sensitive as regards or would adversely affect its or its Affiliates' or any Consortium Member's (including the Affiliates of such Consortium Member) assets, business or plans (including any personal data relating to an identified or identifiable officer director or employee of the Offeror or its Affiliates or any Consortium Member or the Affiliates of such Consortium Member), protected by legal professional privilege or litigation privilege, or subject to any third party confidentiality undertakings, or otherwise constitutes 'inside information' of the Company under Applicable Laws, may be redacted or removed from the information provided to any Governmental Authority or any Party (or their Affiliates) pursuant to this Clause 4.2; and

- (d) shall not, and shall procure that none of its Representatives shall, knowingly take any action that could reasonably be expected to materially adversely affect the satisfaction of any Condition.

#### *Waiver*

- 4.3 The conditions set out in Clauses 4.1(a) to 4.1(d) cannot be waived in any event.
- 4.4 Subject to the requirements of the Executive and the requirements under the Takeovers Code, the Offeror reserves the right (but is in no way obliged) to waive the conditions set out in Clauses 4.1(e) to 4.1(g) in whole or in part, either generally or in respect of any particular matter.

#### *Notifications*

- 4.5 If at any time, a Party becomes aware:
  - (a) that a Condition in respect of which it is obliged to take steps pursuant to this Clause 4 has been satisfied; or
  - (b) of any occurrence, fact or circumstance that will or is reasonably likely to prevent any Condition from being satisfied by the Conditions Long Stop Date or the Extended Conditions Long Stop Date,

it shall promptly provide written notice of this, setting out such details as are available, to the other Party (unless the other Party has already given such notice), and the Parties shall cooperate with each other to make all such announcements and communications with all relevant Governmental Authorities as may be necessary to comply with Applicable Laws, the Listing Rules and the Takeovers Code in accordance with Clause 10.2.

#### *Conditions Long Stop Date*

- 4.6 Subject to permission from the Executive, if any of the Conditions is not fulfilled by 6:00 pm on the Conditions Long Stop Date, either Party may request by written notice to the other Party one or more times to extend the Conditions Long Stop Date to such later date mutually agreed in writing between the Parties (any such later date being the “**Extended Conditions Long Stop Date**”).

### **5. OBLIGATIONS WITH REGARD TO THE PROPOSAL**

- 5.1 Each Party shall use its respective commercially reasonable endeavours to implement the Proposal on its terms in accordance with a timetable mutually agreed between the Parties and to be set out in the Scheme Document.

5.2 Without prejudice to the generality of each Party's obligations under Clause 5.1, each Party undertakes to use its respective commercially reasonable endeavours (to the extent within its power and to the extent permitted by Applicable Laws):

- (a) in the case of the Company, to convene all necessary board and shareholder meetings and pass such board resolutions as may be required to implement the Proposal as soon as reasonably practicable after the date of this Agreement;
- (b) in the case of the Company, to engage relevant advisers and property valuers to prepare all such documents required under the Takeovers Code and the Listing Rules;
- (c) in the case of the Company, to promptly issue notices and make all such determinations as may be required under the rules governing the Tier 1 Options, the KM Options, Post-IPO Share Options and Awards to facilitate the making of the Option Offers and Award Proposal, and procuring the Trustee of the Long Term Incentive Scheme to elect for the Cash Alternative in respect of all of the Scheme Shares held by the Trustee on the Scheme Record Date;
- (d) to complete all necessary Court filings and procedures, to provide all necessary undertakings to the Court as may be reasonably required to implement the Proposal on its terms;
- (e) to take all actions as are reasonably required to facilitate the effectiveness of the Scheme, including to cause a copy of the relevant Court order to be filed or registered with the Registrar of Companies;
- (f) in the case of the Company, to take all actions as is required to enable the withdrawal of listing of the Shares from the Stock Exchange;
- (g) to assist the other Party in communicating with relevant regulatory authorities and other third parties in accordance with this Agreement for the purposes of implementing the Proposal;
- (h) to make submissions to the Executive and the Stock Exchange in connection with the Proposal, subject to prior consultation with the other Party (and where reasonably practicable having considered their comments in good faith) to the extent permitted under Applicable Laws, save where such submission contains only matter(s) that are competitively or commercially sensitive to the Consortium in which case the Consortium may make such submission without being subject to the requirements in this sub-Clause (h);
- (i) to issue announcements, the Scheme Document and other documents as may be required in connection with the Proposal as soon as reasonably practicable in accordance with the requirements of the Takeovers Code, the SFC and the Listing Rules, subject only to and only upon clearance by the Executive and the Stock Exchange (as applicable) and Clause 10.2;
- (j) to promptly notify the other Party upon becoming aware of any breach of warranties or covenants of such Party or any other change or event that would be reasonably likely to prejudice, prevent, delay or disrupt the Proposal; and
- (k) in the case of the Company, to take such actions set out in the steps plan in the Agreed Form relating to the Company's tax residency,

and each Party undertakes to use its respective best endeavours (to the extent within its power and to the extent permitted by Applicable Laws) to, if required by the Offeror, enter into the



necessary documentation to implement and effect (conditional upon completion of the Scheme) the subscription by an entity owned by one or more members of the Consortium of certain number of preference shares in the holding company for the Company's India business upon completion of the Scheme and with the intention that there will be no financial impact on the Company or its shareholders or financial benefit or burden for the relevant members of the Consortium who hold such preference shares.

- 5.3 Subject to Applicable Laws, each Party shall, and the Company shall procure each member of the Group to, use their commercially reasonable endeavours not to knowingly take any action or make any statement which has or might reasonably be expected to have the effect of prejudicing, preventing, delaying or disrupting the Proposal, or otherwise causing the Proposal not to become effective at the earliest practicable time or at all, provided however that this provision shall in no way restrict the Independent Board Committee (or any member thereof) making any recommendation in relation to the Proposal which it determines in its absolute discretion.
- 5.4 The Offeror undertakes not to terminate any of the Irrevocable Undertakings without the Company's written consent, which shall not be unreasonably withheld or delayed, provided for the avoidance of doubt that the Company's consent is not required where a replacement Irrevocable Undertaking is entered into with the relevant Shareholder reflecting a different mix of the form of cancellation consideration to be elected by such Shareholder.

## **6. CONDUCT OF BUSINESS**

- 6.1 The Company undertakes to the Offeror that, save for any action required to give effect to the Proposal or otherwise as required under the Transaction Documents or Applicable Law, it shall, and shall procure that each Group Company shall, except with the prior written consent of the Offeror (such consent not to be unreasonably withheld, conditioned or delayed), between the date of this Agreement and the Effective Date:
- (a) carry on its business and operations in the ordinary and usual course of business;
  - (b) subject to compliance with Applicable Laws, promptly inform the Offeror of any fact, matter or circumstance inconsistent with the obligations set out in this Clause 6.1;
  - (c) comply to the extent applicable with the final regulations 31 C.F.R. Part 850 implementing Executive Order 14105, "Addressing United States Investments in Certain National Security (August 9, 2023)";
  - (d) take reasonable steps to adopt and implement any compliance protocol as may be agreed between the Offeror and the Company from time to time in connection with the Proposal; and
  - (e) not to:
    - (i) issue, allot or authorise the issue of any share capital or debt securities, any KM Options, Post-IPO Share Options or Awards under the KM ESOP, Post-IPO Share Option Scheme or Long Term Incentive Scheme, or any other equity, equity-linked or debt security or options (including upon vesting of any Award, provided that, for the avoidance of doubt, the vesting of any Award itself shall not be restricted) or otherwise increase the number of relevant securities (as defined under the Takeovers Code), other than:
      - (A) issuances pursuant to the exercise of any KM Option, Post-IPO Share Option or option granted under the Tier 1 ESOP; or

- (B) issuances to another member of the Group; or
  - (C) issuances pursuant to any existing agreements to which any member of the Group is a party; or
  - (D) 8,724,054 new allocated (but as yet ungranted) Awards under the Long Term Incentive Scheme, in respect of which: (i) will be awarded shortly after the Announcement Date; and (ii) the Offeror hereby provides its consent to such grant for the purposes of Rule 4 of the Takeovers Code);
- (ii) declare, authorise, make or pay any dividend or other distribution other than by wholly-owned subsidiaries of the Company to another wholly-owned subsidiary of the Company or to investors in the funds managed by or advised by the Group in accordance with the existing fund management agreements;
  - (iii) adopt or make any amendment to any dividend or distribution policy;
  - (iv) reduce, purchase, buy-back, redeem, convert, reclassify, combine or alter any part of its share capital, or dispose of any treasury shares (other than in respect of any wholly-owned member of the Group or otherwise in the ordinary course of business in accordance with binding commitments under existing joint venture or fund agreements);
  - (v) assume or incur any new or additional financial indebtedness of more than US\$250 million (either individually or cumulatively) beyond the gross debt balance of the Group as of the date of this Agreement (excluding the drawdown as of that date pursuant to the facility agreement entered into by, amongst others, the Company as the borrower dated 26 September 2024), except for the following:
    - (A) Proposed Financings Identified During Due Diligence: Financings explicitly disclosed to Offeror (or its representatives or advisors) as part of the Due Diligence Process. However, any drawdown under the Company's revolving credit facility included in these proposed financings will be treated as new financial indebtedness and count toward the US\$250 million threshold, save for refinancing of existing loans using existing committed facilities (which does not increase the Group's financial indebtedness);
    - (B) Project-Level Financings: Any existing or planned project-level financings (as at the date of this Agreement or, following the date of this Agreement, in the ordinary course of business) are exempt from this restriction; and
    - (C) Drawdowns Exceeding US\$250 Million: Any drawdown of loans exceeding US\$250 million remains subject to this limit, save for refinancing of existing loans using existing committed facilities (which does not increase the Group's financial indebtedness).

For the avoidance of doubt, the Group shall have the flexibility to utilize existing committed revolving credit facilities (RCFs) to refinance or pay down any other RCF or loan (which, for the avoidance of doubt, shall not require any consent under this Clause 6.1), provided that such refinancing or repayment does not result in an increase in the Group's total financial indebtedness;

- (vi) undertake, terminate, renew, waive rights under, or amend any connected transactions (as defined in the Listing Rules), other than any such actions that have been identified to the Offeror as part of the Due Diligence Process on arm's length terms in the ordinary course of business consistent with past practice, approved by the Board, and which is not a transaction that requires shareholder approval under the Listing Rules;
- (vii) acquire, incorporate or establish any new entity or branch for the Group's fund management business, or for the ownership, operation and/or development of logistics real estate projects, which in each case would likely:
  - (A) give rise to any additional (or result in any material amendment to any existing) regulatory approval or regulatory consent requirement in order to implement the Scheme;
  - (B) expand any of the Group's existing activities in such businesses in a manner which would give rise to any additional Approvals or any amendment or extension to any existing Approval (in either case which would have any adverse impact on the implementation of the Scheme); or
  - (C) require a Shareholder to provide any commitments or other regulatory remedies to any Governmental Authority or provide competitively or commercially sensitive information relating to it and/or its Affiliates, or result in a violation of Applicable Laws by a Shareholder.

For the avoidance of doubt, the establishment of any new funds which are not likely to result in any of the circumstances set out in paragraph (vii)(A), (B) or (C) above arising shall not require the consent of the Offeror under this Clause 6.1;

- (viii) create, grant, issue or vary any Encumbrance over the Group's assets, other than those which arise: (A) by operation of law or in the ordinary course of business; or (B) in connection with any financing that is not restricted by this Clause 6.1 or is otherwise consented to in accordance with this Agreement);
- (ix) in respect of the principal documents governing the terms of the operation and management of the funds advised or managed by the Group (the "**Fund Documents**"), terminate (other than, for the avoidance of doubt, any termination that automatically occurs on the expiry or non-renewal of the term of the relevant Fund Document on its terms) or make any material changes to the terms of such contracts which in each case have (or is reasonably likely to have) an adverse impact of an amount of no less than US\$10 million per annum on either:
  - (A) the fees or other amounts received by any member of the Group; or
  - (B) the economics from which any member of the Group benefits,
 (other than any such actions as have been identified to the Offeror as part of the Due Diligence Process);
- (x) make any commitment in multi-asset funds other than those arrangements which have been identified to the Offeror as part of the Due Diligence Process or for which the amount of equity commitment is less than 15% of the relevant fund vehicle and the total equity committed by the Group is US\$150 million or

less (where “**multi-asset funds**” for these purposes shall mean any fund invested in or managing more than one asset, ie not single-asset funds);

- (xi) make any material changes to (A) the accounting procedures or principles by reference to which the Group’s accounts are prepared, or its account reference date, unless such change is required by law or the relevant accounting requirements or (B) the compliance procedures, practices, policies or principles;
- (xii) appoint, replace or remove any of the Group’s auditors;
- (xiii) effect any complete or partial liquidation, dissolution, demerger, merger, spin-off, or other restructuring or reorganization of any Group Company, in each case excluding:
  - (A) the proposed spin-off of the China assets which prior to the date of the IA has been publicly announced (described as CREITs);
  - (B) any solvent or voluntary liquidation or dissolution of any companies in the ordinary and usual course of business;
  - (C) any disposal which has been disclosed in the Due Diligence Process (other than those specified in the list in the Agreed Form); and
  - (D) any disposal of REIT units received by the Group on settlement of management fees, in order to fund working capital requirements in the ordinary and usual course of business.
- (xiv) take any frustrating actions (as defined in Rule 4 of the Takeovers Code);
- (xv) adopt any new, or amend the terms of any, management or employee equity incentive scheme in respect of any member of the Group or granting further options or awards other than such granting pursuant to existing award agreements or as referred to above;
- (xvi) change its residence for any Tax purpose or establish any branch, agency, permanent establishment or other taxable presence in any jurisdiction outside its jurisdiction of incorporation, except for the change in the Company’s Tax residency to Singapore;
- (xvii) alter the structure of its holdings of, or the manner or terms of its dealings with, other members of the Group where such alterations would reasonably be expected to have material adverse Tax consequences;
- (xviii) do anything which would be reasonably likely to result in the termination, revocation, suspension, modification or non-renewal of any material licenses, registrations and governmental Approvals required to enable the Group to carry on its business in the jurisdictions and in the manner in which such business is currently carried on in all material respects;
- (xix) voluntarily discontinue all or any part of the business of any Group Company which has an annual revenue of US\$10 million per annum or more, voluntarily discontinue any business line which has an annual revenue of US\$10 million per annum or more, or commence any business line which will involve the Group incurring costs of US\$10 million per annum or more, other than those

arrangements have been identified to the Offeror as part of the Due Diligence Process;

- (xx) terminate or amend the service contracts of any member of the board or employment contracts of any member of senior management of the Group (including any person who is a “key person” under the Fund Documents), other than termination for cause or voluntary resignation pursuant to the terms of such service contract or employment contract;
- (xxi) employ or engage any new head of department or new C-suite member (excluding the new head of human resources), other than as may be required to replace any existing person in such roles who resigns or is otherwise terminated (to the extent permitted under this Agreement) (provided such employment/engagement must be for no longer than a temporary six month term);
- (xxii) establish any new roll up, promote or upside sharing (or equivalent arrangements) with any member of senior management of the Group, or to make any changes to the terms of any such arrangements with any member of senior management of the Group, provided that the Offeror shall consider in good faith any proposal relating to the potential Minority Roll Ups);
- (xxiii) make any applications to any Governmental Authority in respect of the Group pursuant to any foreign direct investment laws, which in each case would likely:
  - (A) give rise to any additional (or result in any material amendment to any existing) regulatory approval or regulatory consent requirement in order to implement the Scheme;
  - (B) give rise to any additional Approvals or any amendment or extension to any existing Approval (in either case which would have any adverse impact on the implementation of the Scheme); or
  - (C) require a Shareholder to provide any commitments or other regulatory remedies to any Governmental Authority or provide competitively or commercially sensitive information relating to it and/or its Affiliates, or result in a violation of Applicable Laws by a Shareholder; and
- (xxiv) authorize or enter into any agreement to do any of the above.

6.2 The Company shall ensure, and shall procure that each Group Company shall ensure, that all matters which fall, or are reasonably likely to fall, within the restrictions set out in Clause 6.1 above are discussed with the CRC.

6.3 The Offeror shall procure that the CRC shall meet weekly with the Company to handle requests (including any consent requests) relating to Clause 6.1 or other matters relating to the progress of the Proposal. Notwithstanding any other provision of this Agreement, the CRC shall be fully empowered in accordance with its constitution to provide consents on behalf of the Offeror for the purposes of Clause 6.1 without the need for any further approvals from the Offeror (and the Offeror agrees that any consent provided by the CRC shall be deemed to be a consent of the Offeror for the purposes of Clause 6.1).

## **7. WARRANTIES OF THE COMPANY**

- 7.1 The Company warrants to the Offeror on the terms set out in the Warranties as at the date of this Agreement, the Despatch Date and the Effective Date, by reference to the facts and circumstances existing at such dates, provided that for this purpose only, where in a Warranty there is an express or implied reference to the “date of this Agreement”, that reference is to be construed as a reference to date of this Agreement only (and not the Despatch Date or the Effective Date).
- 7.2 Each of the Warranties shall be construed as a separate and independent warranty and (save where expressly provided to the contrary) shall not be limited or restricted by reference to or inference from the terms of any other term of this Agreement or any other Warranty.
- 7.3 The Company shall to the extent permissible under Applicable Laws, disclose as soon as reasonably practicable to the Offeror in writing upon becoming aware of the same any matter, event or circumstance (including any omission to act) which may arise or become known to the Company after the date of this Agreement up to and including the Effective Date which constitutes a breach of any of the Warranties or which might make them untrue, inaccurate or misleading.
- 7.4 Notwithstanding anything to the contrary in this Agreement, the Company shall in no circumstances have any liability in respect of any Warranty Claim (other than a claim for breach of any of the Fundamental Warranties) unless and until the Effective Date. The Offeror hereby irrevocably and unconditionally waives all and any remedy (including any right of rescission or right of recovery) which it may have in respect of any Warranty Claim (other than a claim for breach of any of the Fundamental Warranties) prior to the Effective Date to the full extent permitted by Applicable Law, other than any such rights that may arise as a result of fraud or fraudulent misrepresentation.

## **8. WARRANTIES OF THE OFFEROR**

The Offeror warrants to the Company on the terms set out in the warranties in Schedule 3 as at the date of this Agreement, the Despatch Date and the Effective Date, by reference to the facts and circumstances existing at such dates, provided that for this purpose only, where in a warranty there is an express reference to the “date of this Agreement”, that reference is to be construed as a reference to the date of this Agreement only (and not the Despatch Date or the Effective Date).

## **9. STOCK EXCHANGE DELISTING**

The Company shall cooperate with the Offeror and take, or cause to be taken, all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under Applicable Laws to enable the withdrawal of the listing of the Shares from the Stock Exchange as promptly as practicable after the Effective Date.

## **10. ANNOUNCEMENTS**

- 10.1 Subject to Clause 10.2, none of the Parties will make any announcement about the implementation of the Scheme or any matters arising in relation to or in connection with the Proposal or about any discussions between the Parties concerning any of the foregoing without the prior consent of the other Party, such consent in each case not to be unreasonably withheld or delayed.
- 10.2 Where any announcement is required by Applicable Law, the Listing Rules, the Takeovers Code or by any relevant Governmental Authority, the Party required to make the announcement must, to the extent permitted by Applicable Laws and to the extent reasonably practicable:

- (a) consult with the other Party in advance as to what form such announcement takes, what it contains and when it is issued;
- (b) take into account in good faith the other Party's reasonable requirements as to its timing, content and manner of making or despatch; and
- (c) announce and/or disclose (as applicable) only the minimum amount of confidential information that is required to be announced and/or disclosed (as applicable) and use commercially reasonable endeavours to assist the relevant Party in respect of any reasonable action that they may take to resist or limit such announcement and/or the issuance of such circular (as applicable).

10.3 If the Party required to make the announcement is unable to consult with the other Party before the announcement is made, it must inform the other Party of the circumstances, timing, content and manner of making or despatch of the announcement immediately after such announcement is made.

## **11. CONFIDENTIALITY**

To the extent not otherwise inconsistent with this Agreement, the terms of the NDA shall apply to the existence and contents of this Agreement (save as reflected in the Announcement or the Scheme Documentation) as though they applied *mutatis mutandis* between the Company and the Offeror, which, for the avoidance of doubt, shall constitute "Confidential Information" as defined in the NDA.

## **12. TERMINATION**

12.1 Subject to Clause 12.2, the obligations, consents and agreements of the Parties under this Agreement will (unless the Company and the Offeror otherwise agree in writing) terminate on the earliest to occur of:

- (a) the Announcement failing to be published in accordance with Clause 2.2;
- (b) any of the Pre-Conditions not having been satisfied (or waived by the Offeror in accordance with Clauses 3.4 and 3.5) by the Pre-Conditions Long Stop Date or the Extended Pre-Conditions Long Stop Date;
- (c) any of the Conditions not having been satisfied (or waived by the Offeror in accordance with Clause 4.4) by the Conditions Long Stop Date or the Extended Conditions Long Stop Date;
- (d) the Scheme not being approved at the Court Meeting; or
- (e) the Scheme not being sanctioned by the Court.

12.2 If this Agreement terminates or is terminated, then each Party's rights and obligations hereunder (or thereunder, as the case may be) will terminate immediately, subject to the following:

- (a) termination of this Agreement shall not affect a Party's accrued rights and obligations hereunder (or thereunder, as the case may be) at the time of termination; and
- (b) Clauses 1 and 10 to 16 (inclusive) will survive termination.

## **13. COSTS**

Save as otherwise required under the Takeovers Code, the Parties agree that each Party shall bear its own costs and expenses incurred in connection with the implementation of the Proposal.

## 14. NOTICES

14.1 Any notice to be given by one Party to another party in connection with this Agreement shall be in writing in English and delivered by hand, e-mail, registered post or courier using an internationally recognized courier company.

14.2 A notice shall be effective upon receipt and shall be deemed to have been received:

- (a) at the time of delivery, if delivered by hand;
- (b) on the second Business Day after the day of delivery, if delivered by registered post or courier; or
- (c) at the time of transmission, if delivered by e-mail (provided that no error message is received in relation to the delivery),

provided that, in either case, where delivery occurs outside Working Hours, notice shall be deemed to have been received at the start of Working Hours on the next following Business Day.

14.3 The postal addresses and email addresses of the Parties for the purpose of Clauses 14.1 to 14.2 are:

- (a) in the case of the Company:

Address: 12 Marina View, #06-01, Asia Square Tower 2, Singapore 018961

Email address: [brett.krause@esr.com](mailto:brett.krause@esr.com)

For the attention of: Brett Krause

*with a copy to:*

Name: Ivan Lim, Zoe Shou, Richard Lee

Email address: [ivan.lim@esr.com](mailto:ivan.lim@esr.com), [zoe.shou@esr.com](mailto:zoe.shou@esr.com), [richard.lee@esr.com](mailto:richard.lee@esr.com)

- (b) in the case of the Offeror:

Address: c/o Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands

Email address: [electron\\_core\\_scg@starwood.com](mailto:electron_core_scg@starwood.com), [UKLegal@starwood.com](mailto:UKLegal@starwood.com),  
[chloe.zhang@warburgpincus.com](mailto:chloe.zhang@warburgpincus.com), [pao.jirakulpattana@warburgpincus.com](mailto:pao.jirakulpattana@warburgpincus.com),  
[SEAOperations@warburgpincus.com](mailto:SEAOperations@warburgpincus.com), [chelsea.xuan@warburgpincus.com](mailto:chelsea.xuan@warburgpincus.com),  
[Notices@warburgpincus.com](mailto:Notices@warburgpincus.com), [PjElectron\\_SixthStreet@sixthstreet.com](mailto:PjElectron_SixthStreet@sixthstreet.com),  
[SixthStreetLegal@sixthstreet.com](mailto:SixthStreetLegal@sixthstreet.com), [ssw-core-electron@sswpartners.com](mailto:ssw-core-electron@sswpartners.com),  
[jake@sswpartners.com](mailto:jake@sswpartners.com), [austin@sswpartners.com](mailto:austin@sswpartners.com), [jshen@me.com](mailto:jshen@me.com), [stuart@esr.com](mailto:stuart@esr.com),  
[notices.legal@qia.qa](mailto:notices.legal@qia.qa)

14.4 Clauses 14.1 to 14.2 do not apply to the formal service of arbitration proceedings.

## 15. GENERAL

15.1 The obligations, consents and agreements of the Parties hereunder shall be subject to and shall not prevent or limit in any way any Party from discharging its obligations under the Takeovers



Code and the Listing Rules. The Parties agree that, if the Executive determines that any provision of this Agreement that requires the Company to take or not to take any action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted under the Takeovers Code, that provision shall have no effect and shall be disregarded.

- 15.2 Notwithstanding any other provision in this Agreement, nothing in this Agreement shall (i) oblige the Company or its Directors to recommend the Proposal or (ii) be taken to restrict the directors of any member of the Group from complying with Applicable Laws, including the Takeovers Code and the Listing Rules.

#### *Entire agreement*

- 15.3 This Agreement, the other Transaction Documents and the NDA (to the extent provided under Clause 11) together set out the entire agreement between the Parties in respect of the Proposal and the Scheme and supersede and extinguish any prior drafts, agreements, undertakings, representations, warranties, promises, assurances and arrangements of any nature whatsoever (whether oral or written), relating thereto.
- 15.4 Each of the parties acknowledges and agrees that in entering into this Agreement and the other Transaction Documents it has not relied and is not relying on, and shall have no claim or remedy in respect of, any statement, representation, warranty, undertaking, assurance, promise, understanding or other provision made by or on behalf of any person (whether a party to this agreement or not), whether written or oral, express or implied and whether negligently or innocently made, which is not expressly set out in this Agreement or any other Transaction Document and it will not contend to the contrary.
- 15.5 Nothing contained in this Agreement or in any other document referred to or incorporated in it shall be read or construed as excluding any liability or remedy as a result of fraud or fraudulent misrepresentation.
- 15.6 The rights, powers, privileges and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers, privileges or remedies provided by law. Each Party acknowledges and agrees that a claim for damages may not always provide adequate remedy for every breach of this Agreement and therefore, without prejudice to any rights and/or remedies the Parties may have (including, but not limited to, damages) under this Agreement, each Party will be entitled to the remedies of injunction, specific performance and other equitable remedy for any threatened or actual breach of this Agreement.

#### *Invalid terms*

- 15.7 If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the Laws of any jurisdiction for any reason but would be legal, valid and enforceable if deleted in part or modified to reduce its application, then such provision shall apply with such deletions or modifications as necessary to make it legal, valid and enforceable; provided that it still gives effect to the intent of the Parties under this Agreement.
- 15.8 Without prejudice to Clause 15.7, each provision of this Agreement is and shall be read and construed as a separate provision, and is severable. Accordingly, if any provision is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction(s):
- (a) such provision shall, to that extent necessary, be deemed to be severed from this Agreement in respect of that jurisdiction(s) but that shall not affect or impair the legality, validity or enforceability of:
    - (i) any other provision in that jurisdiction(s); or

(ii) that provision or any other provision in all other jurisdictions,

which shall therefore continue to bind the parties in those jurisdiction(s) with full force and effect; and

(b) the Parties shall negotiate in good faith to replace any illegal, invalid or unenforceable provision with a provision that is legal, valid and enforceable in the relevant jurisdiction(s) and gives effect, as closely as possible, to the intention of the illegal, invalid or unenforceable provision in such jurisdiction(s).

#### *Waiver and variation*

15.9 Except as expressly provided in this Agreement, no failure or delay by a Party to exercise any right, power or remedy provided under this Agreement or by law, whether by conduct or otherwise, shall constitute a waiver or variation of that or any other right or remedy, nor shall it preclude or restrict any further exercise of that or any other right or remedy at any subsequent time. No single or partial exercise of any right or remedy provided under this Agreement or by law, whether by conduct or otherwise, shall preclude or restrict the further exercise of that or any other right or remedy.

15.10 A waiver of any right, power or remedy under this Agreement shall only be effective if given in writing and may be given subject to such condition(s) as the grantor may in its sole and absolute discretion decide. Any waiver shall only be a waiver in the particular instance and for the particular purpose for which it was given, and shall not be deemed a waiver of any subsequent breach or default.

15.11 No variation or amendment of this Agreement shall be valid unless it is in writing, expressed to be a variation of this Agreement and duly executed by or on behalf of each Party. Unless expressly agreed, no variation or amendment shall constitute a general waiver of any provision of this Agreement, nor shall it affect any rights or obligations under or pursuant to this Agreement which have already accrued up to the date of variation or amendment and the rights and obligations under or pursuant to this Agreement shall remain in full force and effect except and only to the extent that they are varied or amended.

#### *Third party rights*

15.12 Except as expressly stipulated in this Agreement, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the laws of Hong Kong). To the extent this Agreement expressly grants rights to third parties, the Parties to this Agreement shall be permitted to change or exclude such rights at any time without the consent of the relevant third party.

#### *Counterparts*

15.13 This Agreement may be executed in any number of counterparts. Each counterpart shall constitute an original of this Agreement, but all counterparts together shall together constitute one and the same instrument.

15.14 Transmission of an executed counterpart of this Agreement (but for the avoidance of doubt not just a signature page) by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this Agreement.

15.15 No counterpart shall be effective until each Party has executed and delivered at least one counterpart.

#### *Assignment*

- 15.16 Unless the Parties specifically agree in writing, no Party shall assign, transfer, charge, put in trust or otherwise deal, directly or indirectly, with all or any of its rights under this Agreement, nor grant, subcontract, declare, create or dispose of any right or interest in it. Any purported assignment in contravention of this Clause 15.16 shall be void.

*Legal relationship*

- 15.17 Nothing in this Agreement (or any of the arrangements contemplated by it) is or shall be deemed to constitute a partnership between the Parties nor, except as may be expressly set out in this Agreement, shall any Party be constituted as the agent, employee or representative of the other Party for any purpose and no Party has the power to incur any obligations on behalf of, or pledge the credit of, the other Party.

**16. GOVERNING LAW AND ARBITRATION**

- 16.1 This Agreement and any non-contractual rights or obligations arising out of or in connection with it shall be governed by the laws of Hong Kong.
- 16.2 Any dispute, controversy, claim or difference of whatever nature arising out of or relating to this Agreement, including a dispute regarding the validity, invalidity, existence, interpretation, performance, breach or termination of this Agreement or the consequences of its nullity and also including any dispute relating to any non-contractual rights or obligations arising out of, relating to, or having any connection with this Agreement shall be referred to and finally resolved by arbitration under the Arbitration Rules (the “**Rules**”) administered by the Hong Kong International Arbitration Centre in force when the Notice of Arbitration is submitted. There shall be three arbitrators, two of whom shall be nominated by the respective Parties in accordance with the Rules and the third, who shall be the Chairman of the arbitral tribunal, shall be nominated by the two nominated arbitrators within 14 days of the last of their appointments. The seat, or legal place, of arbitration shall be Hong Kong. The language to be used in the arbitral proceedings shall be English only. This arbitration clause shall be governed by the Laws of Hong Kong.

**SCHEDULE 1**  
**ANNOUNCEMENT**

*[To be inserted]*

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this 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 announcement.*

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Offeror, the Company or any other entity, nor is it a solicitation of any vote or approval in any jurisdiction.*

*This announcement is not for release, publication or distribution, in whole or in part, in, into or from any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.*

<b>MEGA BidCo</b> (Incorporated in the Cayman Islands with limited liability)	<b>[Company logo]</b> <b>ESR GROUP LIMITED</b> (Incorporated in the Cayman Islands with limited liability) (stock code: 1821)
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### **JOINT ANNOUNCEMENT**

- (1) PRE-CONDITIONAL PROPOSAL TO PRIVATISE THE COMPANY BY WAY OF  
A SCHEME OF ARRANGEMENT UNDER SECTION 86 OF THE COMPANIES ACT**
- (2) PROPOSED WITHDRAWAL OF LISTING OF THE COMPANY**
- (3) RESUMPTION OF TRADING IN THE SHARES**

**Co-Lead Financial Adviser and Sole  
Structuring Adviser to the Offeror**

**Morgan Stanley**

Morgan Stanley Asia Limited

**Co-Lead Financial Adviser to the Offeror**

**Deutsche Bank** 

**Joint Financial Advisers to the Offeror**

**Goldman  
Sachs**

Goldman Sachs (Asia) L.L.C.

 **UBS**

**Exclusive Financial Adviser to the Company**



## **THE PROPOSAL**

On 4 December 2024, the Offeror and the Company entered into the Implementation Agreement, pursuant to which the Offeror requested, and the Company undertook, to put forward the Proposal to the Scheme Shareholders which, if approved and implemented, will result in the Company being privatised by the Offeror by way of a scheme of arrangement under section 86 of the Companies Act and the withdrawal of the listing of the Shares from the Stock Exchange.

If the Scheme is approved and implemented, the Scheme Shares will, on the Effective Date of the Scheme, be cancelled and extinguished and the issued share capital of the Company will be maintained by the issuance to the Offeror, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full the new Shares so issued to the Offeror. Following the Effective Date, the Company will be wholly-owned directly by the Offeror.

### **Cancellation Consideration**

The Scheme will provide that, if it becomes effective, the Scheme Shares will be cancelled in exchange for either:

- (a) the Cash Alternative: Cancellation Price of HK\$13.00 for every Scheme Share held; or
- (b) the Share Alternative: one EquityCo Share for every Scheme Share held.

Scheme Shareholders may elect the Cash Alternative or the Share Alternative or a combination of both the Cash Alternative and the Share Alternative in a proportion of their choosing as the form of Cancellation Consideration in respect of their entire holdings of Scheme Shares.

### **Reasons for and benefits of the Proposal**

The Offeror is of the view that the Proposal is beneficial to the Company and the terms of the Proposal are attractive to the Scheme Shareholders in a number of ways:

The Proposal provides Scheme Shareholders a holistic solution with the rare opportunity to elect between: (a) the Cash Alternative that provides a unique opportunity for Scheme Shareholders to fully monetise their investment with a substantial premium to recent trading prices (as set out further below); (b) the Share Alternative which allows Scheme Shareholders to roll their shares into EquityCo Shares and participate in the next phase of the Company's development alongside the Consortium; or (c) a mix of cash and EquityCo Shares in a proportion of their choosing. The option to choose the form of Cancellation Consideration provides Scheme Shareholders maximum flexibility that is rare in precedent Hong Kong privatisation transactions.

As APAC's largest real asset manager with a total AUM (which includes the reported AUM of the associates and assumes the value of the uncalled capital commitments in the private funds and investment vehicles on a levered basis) of US\$154 billion as of 30 June 2024, the Group is well positioned in the new economy sectors of logistics, data centers and alternative real asset classes across Japan, Korea, Australia, China, Southeast Asia and India. To fully realise the Group's platform value in the long term, the Offeror believes that the Company needs to successfully transition to an asset-light platform, re-focus on new economy sectors, simplify its current portfolio with non-core asset divestitures, and optimise its balance sheet. These strategic initiatives may come with significant short-term earnings fluctuations and the Offeror believes that the strategic transformation is best executed in a private setting away from the short-term pressures of the public markets and the constraints of the Listing Rules.

For Scheme Shareholders electing to receive some or all of their Cancellation Consideration in the form of the Cash Alternative, the Proposal provides a certain exit at a substantial premium to the Company's share price of:

- 55.7% to the Company's closing price per Share as quoted on the Stock Exchange on the Pre-NBO Date;
- 54.0% and 40.8% over the average closing price of approximately HK\$8.44 and HK\$9.23 per share for the 30 and 60 trading days up to and including the Pre-NBO Date, respectively; and
- 199.1% to the Company's unaudited consolidated Net Tangible Asset Value per Share (being HK\$4.35) as at 30 June 2024.

Lastly, the Proposal has the benefit of effectively transforming the Company's shareholder register to include highly experienced world class investors who will be able to provide long-term capital to weather near-term macro-economic challenges and support the Company's strategic transformation, while maintaining a prudent and effective governance structure that protects minority shareholders. The Proposal will also relieve the Company of the administrative and public investor relations burdens associated with being a publicly listed company and allow it to implement an attractive incentive scheme to support long-term talent retention.

### **The Option Offers**

The Offeror will make the Option Offers in respect of the Company's outstanding Options in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Option, conditional upon the Scheme becoming effective. Under the Option Offers, the Offeror will offer Option-holders the "see-through" Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Option) for the cancellation of every Option. Where the exercise price of the relevant Option exceeds the Cancellation Price, the "see-through" Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Option will be made by the Offeror for the cancellation of each outstanding Option held.

### **The Award Proposal**

The Award Proposal will be made to the holders of the outstanding Awards in respect of their outstanding Awards (which have not otherwise lapsed or been cancelled or exercised under the rules of the Long Term Incentive Scheme) in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Award on the Effective Date, subject to the Scheme becoming effective. Under the Award Proposal, the Company will pay to each Award-holder the Cancellation Price for the cancellation of every Award.

### **Pre-Conditions and Conditions to the Proposal and the Scheme**

The making of the Proposal, and the implementation of the Scheme, is subject to the satisfaction of certain Pre-Conditions and Conditions as set out in more detail in the sections headed "Pre-Conditions to the Proposal and the Scheme" and "Conditions of the Proposal and the Scheme" in this announcement.

**WARNING: Shareholders, Option-holders, Award-holders and/or potential investors of the Company should be aware that unless the Offeror otherwise elects, the implementation of the Proposal will only become effective after all of the Pre-Conditions and Conditions being satisfied or waived (as applicable) and thus the Proposal may or may not be implemented, the Scheme may or may not become effective, the Option Offers and the Award Proposal may or may not be implemented. Shareholders, Option-holders, Award-holders and/or potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional adviser.**

## **ARRANGEMENTS MATERIAL TO THE PROPOSAL**

The Consortium Members have entered into the Exclusivity and Standstill Arrangements, the Subscription and Rollover Arrangement, and the Shareholder Arrangements, as set out in more detail in the section headed “Arrangements Material to the Proposal” in this announcement.

## **IRREVOCABLE UNDERTAKINGS**

On 4 December 2024, the Offeror received an Irrevocable Undertaking from each of the IU Shareholders (comprising OMERS, Mr. Lim, Straits, APG and SMBC), pursuant to which each of the IU Shareholders has undertaken, amongst other things: (i) to exercise (or procure the exercise of) all voting rights attached to the IU Scheme Shares held or owned by it/him at the Court Meeting and the EGM in favour of the Scheme and any resolutions which will facilitate or assist the implementation of the Proposal and the Scheme; and (ii) that it/he shall not (and/or shall procure that none of its/his affiliates shall), on or before the Effective Date and other than in connection with the Scheme or pursuant to election of the form of Cancellation Consideration, directly or indirectly, sell, transfer, create any encumbrance over or otherwise dispose of all or any of the IU Scheme Shares held or owned by it/him.

Each of Mr. Lim, Straits and APG has undertaken to elect the Cash Alternative only as the form of Cancellation Consideration for the cancellation of all of the IU Scheme Shares held or owned by it/him. SMBC has undertaken to elect the Share Alternative only as the form of Cancellation Consideration for the cancellation of all of the IU Scheme Shares held or owned by it. OMERS has undertaken to elect a combination of the Cash Alternative and Share Alternative for the cancellation of all of the IU Scheme Shares held or owned by it and will elect the Share Alternative for 319,313,360 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it (representing 70% of all of the IU Scheme Shares held or owned by OMERS as at the Announcement Date).

The 1,307,293,403 IU Scheme Shares held by the IU Shareholders which are the subject of the Irrevocable Undertakings represent approximately 30.79% of the total issued share capital of the Company and approximately 51.24% of the Scheme Shares held by the Disinterested Shareholders as at the Announcement Date. Assuming (a) the Rollover Consortium Members and Rollover IU Shareholders that have executed the Irrevocable Undertakings choose the Share Alternative for the cancellation of all of the IU Scheme Shares held or owned by them (but for OMERS, only in respect of 319,313,360 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it), (b) all other Scheme Shareholders choose the Cash Alternative for the cancellation of all of the Scheme Shares held or owned by them (and OMERS chooses the Cash Alternative for the cancellation of 136,848,583 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it), (c) no outstanding Options or Awards are exercised and no further Shares are issued before the Scheme Record Date, and (d) there is no other change in the issued share capital of the Company before completion of the Proposal, upon the completion of the Proposal, the Company will be wholly-owned by the Offeror, which will be indirectly wholly-owned by EquityCo, which in turn will be held as to 84.81% by the Consortium Members and 15.19% by the Rollover IU Shareholders.

## **FINANCIAL RESOURCES**



As at the Announcement Date, the Offeror is financing the entire cash amount required for the Proposal from the New Money Subscription Consideration from the New Money Consortium Members and the Offer Facility.

Morgan Stanley, the co-lead financial adviser and sole structuring adviser to the Offeror in connection with the Proposal, is satisfied that sufficient financial resources are available to the Offeror for satisfying its obligations in respect of the full implementation of the Proposal in accordance with its terms.

### **INDEPENDENT BOARD COMMITTEE**

Since its establishment, the Independent Board Committee has appointed Citigroup Global Markets Asia Limited as the Company's financial adviser to review the NBO and consider other strategic alternatives available to the Company. The Independent Board Committee has also adopted a formal process for a transaction involving the Shares, which includes a staged due diligence review by potential investors (including the Consortium) and the solicitations of improved offers from the Consortium, in each case with the ultimate objective of soliciting the best and final offer for the Proposal from the Consortium for Disinterested Shareholders to vote on. Since its initial indicative proposal on 13 May 2024, the Consortium has provided a further improved offer on 4 October 2024 and a further and final improved offer on 4 November 2024.

In accordance with the Takeovers Code, the Independent Board Committee will consider and make a recommendation in the Scheme Document: (a) to the Disinterested Shareholders as to whether the Proposal is, or is not, fair and reasonable and as to voting in respect of the Scheme at the Court Meeting and the Proposal at the EGM; and (b) to the Option-holders and the Award-holders as to whether the terms of the Option Offers and the Award Proposal are, or are not, fair and reasonable and whether to accept the Option Offers.

### **INDEPENDENT FINANCIAL ADVISER**

The Independent Financial Adviser will be appointed by the Board with the approval of the Independent Board Committee in due course to advise the Independent Board Committee on the Proposal pursuant to Rule 2.1 of the Takeovers Code. A further announcement will be made after the appointment of the Independent Financial Adviser.

### **DESPATCH OF THE SCHEME DOCUMENT**

Subject to satisfaction or a valid waiver (as applicable) of the Pre-Conditions, the Company will send to the Shareholders a Scheme Document containing, among other things, further details about the Proposal, a letter from the Board, a letter of advice from the Independent Financial Adviser, the recommendations of the Independent Board Committee and notices to convene the Court Meeting and the EGM together with forms of proxy in relation thereto, as soon as practicable in accordance with the Takeovers Code, the orders of the Court, the Companies Act, and any other Applicable Laws.

### **RESUMPTION OF TRADING IN THE SHARES**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 29 November 2024 pending the issue of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 5 December 2024.

*This announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of Applicable Laws or regulation. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any acceptance, rejection or other response to the Proposal should be made only on the basis of information in the Scheme Document or any other document by which the Proposal is made.*

*The availability of the Proposal to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders, option-holders and award-holders will be contained in the Scheme Document.*

#### **Notice to U.S. investors**

*This announcement does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in the United States. This announcement does not constitute a prospectus or a prospectus equivalent document. U.S. holders of Scheme Shares, Options and Awards are advised to carefully read the formal documentation in relation to the Proposal once it has been despatched.*

*In particular, this announcement is not an offer of securities for sale nor a solicitation of an offer to buy securities in the United States. The EquityCo Shares which will be issued in connection with the Proposal have not been, and will not be, registered under the Securities Act or under the securities law of any state, district or other jurisdiction of the United States, or any other jurisdiction, and no regulatory approval or clearance in respect of the EquityCo Shares has been, or will be, applied for in any jurisdiction. EquityCo Shares may not be offered or sold in the United States absent registration under the Securities Act or an exemption from registration. It is expected that the EquityCo Shares will be issued in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(10) thereof. Neither the Company nor the Offeror intends to make any public offering of securities in the United States.*

*The Proposal relates to the shares of EquityCo and the Company, which were incorporated in the Cayman Islands with limited liability. The Proposal will be effected under a scheme of arrangement provided for under the Companies Act. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable to Cayman Islands schemes of arrangement, which differ from the disclosure and other requirements of the U.S. securities laws. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in Hong Kong that may not be comparable to the financial statements of U.S. companies.*

#### **Notice to United Kingdom investors**

*This announcement is directed only at persons (i) falling within Article 19 of the Financial Services & Markets Act 2000 (Financial Promotion) Order 2005 (investment professionals); or (ii) falling within Article 49(2)(a) to (d) of the Financial Services & Markets Act 2000 (Financial Promotion) Order 2005 (high net worth companies, unincorporated associations etc.); or (iii) to whom it may otherwise lawfully be communicated. This announcement must not be acted on or relied on by persons who are not such persons as described above. Any investment or investment activity to which this announcement relates is available only to such persons as described above and will be engaged in only with such persons as described above.*

*Shareholders, Option-holders, Award-holders and beneficial owners of Shares, Options and Awards should consult their professional advisers if they are in any doubt as to the potential applicability of, or consequence under, any provision of law or regulation or judicial or regulatory decisions or interpretations in any jurisdictions, territory or locality therein or thereof and, in particular, whether there will be any restriction or prohibition on the acquisition, retention, disposal or otherwise with respect to the Shares, Options, Awards or the EquityCo Shares, as the case may be. It is emphasised that none of the Company, the Offeror, any of their respective directors or officers, employees, agents, affiliates or advisers and any other person involved in the Proposal accept any responsibility in relation to the above.*

## INTRODUCTION

On 4 December 2024, the Offeror and the Company entered into the Implementation Agreement, pursuant to which the Offeror requested, and the Company undertook, to put forward the Proposal to the Scheme Shareholders which, if approved and implemented, will result in the Company being privatised by the Offeror by way of a scheme of arrangement under section 86 of the Companies Act and the withdrawal of the listing of the Shares from the Stock Exchange.

If the Scheme is approved and implemented, the Scheme Shares will, on the Effective Date of the Scheme, be cancelled and extinguished and the issued share capital of the Company will be maintained by the issuance to the Offeror, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full the new Shares so issued to the Offeror.

## TERMS OF THE PROPOSAL

### Cancellation Consideration

The Scheme will provide that, if it becomes effective, the Scheme Shares will be cancelled in exchange for either:

- (a) the **Cash Alternative**: Cancellation Price of HK\$13.00 for every Scheme Share held; or
- (b) the **Share Alternative**: one EquityCo Share for every Scheme Share held.

Scheme Shareholders may elect the Cash Alternative or the Share Alternative or a combination of both the Cash Alternative and the Share Alternative in a proportion of their choosing as the form of Cancellation Consideration in respect of their entire holdings of Scheme Shares.

### The Cash Alternative

The Cancellation Price represents:

- a premium of approximately 55.7% over the closing price of HK\$8.35 per Share as quoted on the Stock Exchange on the Pre-NBO Date;
- a premium of approximately 35.0% over the average closing price of approximately HK\$9.63 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Pre-NBO Date;
- a premium of approximately 40.8% over the average closing price of approximately HK\$9.23 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Pre-NBO Date;
- a premium of approximately 54.0% over the average closing price of approximately HK\$8.44 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Pre-NBO Date;
- a premium of approximately 30.0% over the closing price of HK\$10.00 per Share as quoted on the Stock Exchange on 10 May 2024, being the last trading day prior to the date of the 3.7 Announcement;
- a premium of approximately 13.6% over the closing price of HK\$11.44 per Share as quoted on the Stock Exchange on the Last Trading Day;

- a premium of approximately 16.5% over the average closing price of approximately HK\$11.16 per Share based on the daily closing prices as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Day;
- a premium of approximately 17.8% over the average closing price of approximately HK\$11.04 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 11.1% over the average closing price of approximately HK\$11.70 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 157.7% over the audited consolidated Net Tangible Asset Value attributable to the Shareholders per issued Share of approximately HK\$5.05 as at 31 December 2023, based on the total number of issued Shares as at 31 December 2023; and
- a premium of approximately 199.1% over the unaudited consolidated Net Tangible Asset Value attributable to the Shareholders per issued Share of approximately HK\$4.35 as at 30 June 2024, based on the total number of issued Shares as at 30 June 2024.

The Cancellation Price under the Cash Alternative has been determined on a commercial basis after taking into account, among other things, the recent and historic prices of the Shares traded on the Stock Exchange and with reference to other privatisation transactions in Hong Kong in recent years.

### **Highest and lowest prices**

During the six-month period immediately preceding the date of the 3.7 Announcement and up to and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$13.00 per Share on 16 May 2024, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$7.45 per Share on 22 March 2024.

### **The Share Alternative**

The EquityCo Shares are shares of EquityCo, an unlisted investment holding company. EquityCo was newly incorporated in the Cayman Islands with limited liability on 3 September 2024 for the sole purpose of implementing the Proposal. As at the Announcement Date, EquityCo has an issued share capital comprising 2,928,302,035 EquityCo Shares which are held by the Consortium Members. Details of the shareholding structure of EquityCo are set out in the section headed “Information on the Group, the Offeror and the Consortium – Information on the Offeror, the Consortium and the EquityCo Group” in this announcement.

MidCo was newly incorporated in the Cayman Islands with limited liability on 12 September 2024 for the sole purpose of implementing the Proposal. As at the Announcement Date, MidCo is directly wholly-owned by EquityCo.

HoldCo was newly incorporated in the Cayman Islands with limited liability on 12 September 2024 for the sole purpose of implementing the Proposal. As at the Announcement Date, HoldCo is directly wholly-owned by MidCo and indirectly wholly-owned by EquityCo.

The Offeror is also a company newly incorporated in the Cayman Islands with limited liability on 12 September 2024 and an investment holding company set up solely for the purposes of implementing the Proposal. As at the Announcement Date, the Offeror is directly wholly-owned by HoldCo and indirectly wholly-owned by EquityCo.

Following the Effective Date, the Company will be wholly-owned directly by the Offeror and indirectly by EquityCo, and the value of the EquityCo Shares will primarily be determined by the value of the Company. The Company had a net asset value of approximately US\$8,728,754,000 (being approximately US\$2.04 per Share based on the total number of issued Shares as at 31 December 2023) attributable to Shareholders as at 31 December 2023 as disclosed in the audited consolidated financial results of the Group for the year ended 31 December 2023. The value of the EquityCo Shares will also be affected by the external debt financing to be incurred by the Offeror (including the Offer Facility). Details of the estimates of value of the EquityCo Shares will be set out in the Scheme Document.

The Share Alternative offers an opportunity for the existing Shareholders to retain an indirect interest in the Company after the withdrawal of listing of the Shares from the Stock Exchange. Details of the rights and obligations attached to the EquityCo Shares are set out in the section headed “Arrangements Material to the Proposal – The Shareholder Arrangements” in this announcement.

As for the Offeror’s views on the details on the reasons for and benefits of the Proposal, please refer to the section headed “Reasons for and benefits of the Proposal” in this announcement.

### **Election of Cash Alternative and Share Alternative**

Scheme Shareholders may elect the Cash Alternative or the Share Alternative or a combination of both the Cash Alternative and the Share Alternative as the form of Cancellation Consideration in respect of their entire holdings of Scheme Shares.

Scheme Shareholders who do not make any election in time or whose elections are invalid will be deemed to have elected to receive the Cash Alternative.

Any Scheme Shareholder returning the form of election:

- (a) opting both to receive the Cash Alternative and the Share Alternative but failing to indicate an allocation of its Scheme Shares between the Cash Alternative and the Share Alternative, which corresponds to the total number of its Scheme Shares;
- (b) without making an election for the Cash Alternative and/or the Share Alternative in respect of all of its Scheme Shares;
- (c) not within the timeline set out in the Scheme Document;
- (d) which is not duly completed or executed in accordance with the instructions on it or contains inaccurate, incorrect, invalid or incomplete information or illegible writing or is otherwise not valid in accordance with the terms set out in the Scheme Document; or
- (e) opting for the Share Alternative (whether in whole or in part in respect of its Scheme Shares) but failing to submit all applicable KYC Documents or such additional evidence or documents as may be required by EquityCo or is otherwise prevented from becoming a registered holder of shares of EquityCo by any applicable legal or regulatory reason such as being subject to any applicable international sanctions or where the receipt of EquityCo Shares by such Scheme Shareholder would require registration under the securities laws in that jurisdiction,

will, in each case be treated for the purposes of the election as opting to receive the Cash Alternative in respect of all of the Scheme Shares registered in its name.

**For the purpose of ensuring accuracy of the registered ownership of the EquityCo Shares and satisfying the compliance requirements applicable to shareholders of a company incorporated in the Cayman Islands, a Scheme Shareholder may opt for the Share Alternative only in respect of such of its Scheme Shares as are registered in its own name on the register of members of the Company maintained by the Company's share registrar.**

**Where a Scheme Shareholder is holding all or part of its Scheme Shares via CCASS and wishes to opt for the Share Alternative in respect of any of such Scheme Shares, such Shareholder must instruct its securities dealer/custodian bank to withdraw the relevant Scheme Shares from CCASS and arrange for the transfer of the relevant Scheme Shares into its own name as soon as possible before the relevant deadline for election. If such Shareholder does not arrange to have the relevant Scheme Shares withdrawn from CCASS and transferred in its name as mentioned above, such Shareholder will only receive the Cash Alternative in respect of the relevant Scheme Shares held via CCASS.**

**Further, where a Scheme Shareholder elects to accept the Share Alternative, in connection with such acceptance, such Scheme Shareholder will be required to represent that they are (i) either an accredited investor or an institutional investor as defined under Section 4A of the Securities and Futures Act 2001 of Singapore and (ii) either (A) not a U.S. Person as defined under the Securities Act or (B) a "qualified institution buyer" within the meaning of Rule 144A under the Securities Act and a qualified purchaser under Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended, including the rules promulgated thereunder.**

**The Share Alternative, and the receipt of EquityCo Shares, are subject to the laws and regulations of the jurisdiction in which the Scheme Shareholders are subject. Scheme Shareholders wishing to elect the Share Alternative and receive EquityCo Shares should be aware of the laws and regulations of their jurisdiction and ensure that they are able to elect the Share Alternative and receive EquityCo Shares. Additionally, EquityCo Shares will not be registered under any securities laws in any jurisdiction (including Hong Kong or overseas) and may only be issued to persons resident in a jurisdiction pursuant to an exemption from the requirements of the securities laws or regulations of that jurisdiction. Please refer to the section headed "Overseas Scheme Shareholders, Option-holders and Award-holders" in this announcement for further information.**

Again, for the purpose of ensuring accuracy of the registered ownership of the EquityCo Shares and satisfying the compliance requirements applicable to shareholders of a company incorporated in the Cayman Islands, a Shareholder opting for the Share Alternative in respect of any of its Scheme Shares registered in its name on the register of members of the Company must, in addition to a duly completed and executed form of election and the certificate(s) for the Scheme Shares being rendered, also lodge the following KYC Documents to comply with the relevant anti-money laundering requirements of the Cayman Islands (which shall be in English or accompanied by an English translation which is certified by a translator qualified to translate such foreign language into English as a true translation): (a) if the registered Shareholder is an individual, he/she must provide a certified true copy (certified as a true copy by a solicitor, a certified public accountant or a chartered secretary) of each of (i) his/her valid identity card or passport; and (ii) proof of his/her residential address (which shall be issued within the last three months of the date of the election); or (b) if the registered Shareholder is a corporation, it must provide a certified true copy (certified as a true copy by a solicitor, a certified public accountant or a chartered secretary) of each of (i) its certificate of incorporation; (ii) its registration certificate (where applicable); (iii) its constitutional document; (iv) its register of members (or equivalent); (v) its register of directors (or equivalent); (vi) its address proof; (vii) its organization chart (showing up to its ultimate beneficial owners holding 10% shareholding or more and any intermediate holding companies); (viii) for any of the intermediate holding companies as mentioned in item (b)(vii) above, items (b)(i) to (b)(vi) above of such intermediate holding company; and (ix) items (a)(i) to (a)(ii) above of each of its ultimate beneficial owners. Further, for any individual Shareholder or beneficial owner who holds 10% or more direct or indirect interests in the total issued share capital of EquityCo, a personal declaration form in a

prescribed format would be required. For any corporate shareholder or intermediate holding company which holds 10% or more in the total issued share capital of EquityCo, a statement of business nature in a prescribed format would be required. EquityCo and the Company reserve the discretion to request additional evidence or documents as may be required for the purpose of complying with the relevant anti-money laundering requirements of the Cayman Islands or other Applicable Laws.

Any acceptance by such Scheme Shareholders of the Proposal by signing the form of election will be deemed to constitute a representation and warranty from such persons to the Company and the Offeror that they (a) do not have any existing holdings of securities in any publicly-listed affiliate of the Group which would, by their acceptance of the Proposal, obligate the Company or any member of the Group to make a chain principle offer in respect of the securities of any such affiliate and (b) (with respect to any individual Scheme Shareholder) are not a citizen of a country which shares a Bordering Country or (with respect to any corporate Scheme Shareholder) are not an entity of a Bordering Country, and in all cases they have no beneficial owner who is situated in or is a citizen of any such Bordering Country, in each case within the meaning of the Press Note No. 3 (2020 Series) dated 17 April 2020 issued by the Government of India, Ministry of Commerce & Industry Department for Promotion of Industry and Internal Trade as amended from time to time.

If a Scheme Shareholder validly elects the Share Alternative (whether wholly or partly in respect of all of its Scheme Shares), EquityCo Shares will be allotted and issued free from all encumbrances, credited as fully paid, by EquityCo to such Scheme Shareholder in respect of each of its Scheme Shares for which the Share Alternative is opted. The EquityCo Shares to be issued under the Share Alternatives will rank *pari passu* among themselves and with all EquityCo Shares already in issue.

The actual number of EquityCo Shares to be issued under the Share Alternative will be determined after the latest time for election of the Cash Alternative or the Share Alternative under the Proposal, which will be set out in the Scheme Document. Fractions of EquityCo Shares to be issued to the Scheme Shareholders who have elected the Share Alternative will be rounded down to the nearest whole number of EquityCo Shares.

**Shareholders and potential investors of the Company should be aware of, among other things but not limited to, the following risk factors of holding EquityCo Shares:**

- **EquityCo Shares are shares of an unlisted investment holding company newly incorporated in the Cayman Islands;**
- **while holders of EquityCo Shares will enjoy certain voting, dividend and liquidation rights (and there is no guarantee that any dividend payments will be made in respect of EquityCo Shares), they will also be subject to various restrictions (including on transfers of EquityCo Shares) and exceptions stipulated in the memorandum and articles of association of EquityCo, the details of which are set out in the section headed “Arrangements Material to the Proposal – The Shareholder Arrangements” in this announcement;**
- **while certain holders of EquityCo Shares will enjoy certain pre-emption rights, their shareholdings in EquityCo may be reduced or diluted if they do not exercise or take up their full entitlements under such pre-emption rights, or if certain exceptions to such pre-emption rights apply, in each case as stipulated in the memorandum and articles of association of EquityCo (further details of which are set out in the section headed “Arrangements Material to the Proposal – The Shareholder Arrangements” in this announcement);**
- **upon the Effective Date, the Company will become an indirect, wholly-owned subsidiary of EquityCo and, other than that, EquityCo will not own any other material assets. None**



**of EquityCo, MidCo, HoldCo and the Offeror intends to engage in any business other than acting as the holding company of the Company after completion of the Proposal;**

- **changes in the business and economic environment could adversely affect the operating profits of the Group and therefore EquityCo and/or the value of the assets of the Group or EquityCo. For example, financial factors such as currency controls, devaluation or regulatory changes, or stability factors such as mass riots, pandemics, epidemics, conflicts, civil war and other potential events could contribute to the operational risks of the Group and EquityCo;**
- **given that there is no firm intention to seek a listing of the EquityCo Shares on any stock exchange in the near term, and there can be no assurance of such intention or plan in the future, the EquityCo Shares will be illiquid, there is less likely to be a ready market for EquityCo Shares, and hence the shareholders of EquityCo may find it more difficult to find a purchaser for the EquityCo Shares if they intend to sell their EquityCo Shares;**
- **the value of the EquityCo Shares will at all times be uncertain and there can be no assurance that any such securities will be capable of being sold in the future or that they will be capable of being sold at the value to be estimated in the Scheme Document;**
- **upon the Effective Date and after the withdrawal of the listing of the Shares from the Stock Exchange, holders of EquityCo Shares will not have the benefits and protections of the Listing Rules. EquityCo may not be a “public company” under the Codes on Takeovers and Mergers and Share Buy-backs, in which case, the protections under these codes will not be applicable or afforded to holders of EquityCo Shares;**
- **there is no assurance that the strategic initiatives mentioned in the section headed “Reasons for and benefits of the Proposal” in this announcement will result in any future transactions or improvements to the operational performance of the Company. Further, any transactions to be undertaken as a result of the strategic review to be conducted after the Proposal will entail significant implementation risks and may or may not lead to positive results for those Scheme Shareholders who elect to accept the Share Alternative; and**
- **general business risks associated with the Group’s business including but not limited to:**
  - the ability to grow the Group’s AUM through organic growth and strategic acquisitions;
  - the ability to divest of the Group’s non-core assets at fair value in the current market environment;
  - the Group’s ability to maintain, continue raising and deploying investment funds from investors;
  - the ability to continuously conduct asset disposals to recycle or return capital to earn promote payments as well as to maintain the AUM within the Group’s ecosystem in order to earn management fees;
  - industry-related market risks such as interest rates, availability and cost of financing, rental rates, availability of and demand from tenants, occupancy volatilities, changes to land and construction costs, delays to delivery of construction projects and increases to the cost of them and country specific risks such as competition, geo-political risks, supply, demand and local regulations;

- liquidity risks associated with existing debt and obligation to fund development projects;
- there is no certainty of realising promote revenue in the future;
- competition for capital may put pressure on fee rates;
- uncertain demand for logistics and/or data centre properties may adversely impact the Group's development business;
- the Group's data centre business is at a nascent stage and there is no certainty the Group will be successful in executing its data centre strategy;
- potential risks of internalisation of REIT management may adversely impact the Group's REIT management business; and
- the Group has operations in multiple jurisdictions and multiple currencies and thus foreign exchange movements may adversely impact the Group's financial performance.

### **The Option Offers**

As at the Announcement Date, the Company has outstanding share options in issue under three different employee incentive plans as follows:

- 7,799,856 outstanding Tier 1 Options, with an exercise price of US\$0.46 (equivalent to approximately HK\$3.5880);
- 11,518,642 outstanding KM Options with an exercise price within the range of US\$0.9445 to US\$1.5172 (equivalent to approximately HK\$7.3671 to HK\$11.8342); and
- 17,175,200 outstanding Post-IPO Share Options with an exercise price within the range of HK\$22.78 to HK\$27.30.

The Company has undertaken in the Implementation Agreement that it will not grant any further Options between the Announcement Date and the Effective Date.

To the extent that the outstanding Tier 1 Options, KM Options and Post-IPO Share Options have not otherwise lapsed, been cancelled or exercised, the Offeror will make (or procure to be made on its behalf) the Option Offers to the Option-holders in accordance with Rule 13 of the Takeovers Code to cancel every outstanding Option, conditional upon the Scheme becoming effective.

Under the Option Offers, the Offeror will offer Option-holders the "see-through" Option Offer Price (being the Cancellation Price minus the relevant exercise price of the outstanding Option) for the cancellation of every Option.

Where the exercise price of the relevant Option exceeds the Cancellation Price, the "see-through" Option Offer Price is zero and a cash offer of a nominal amount of HK\$0.0001 per Option will be made by the Offeror for the cancellation of each outstanding Option held.

#### ***Tier 1 Options***

<b>Exercise price per Tier 1 Option</b>	<b>Number of outstanding Tier 1 Options</b>	<b>"See-through" Option Offer Price (HK\$)</b>
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US\$0.46 (approximately HK\$3.5880)	7,799,856	9.4120
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***KM Options***

Exercise price per KM Option	Number of outstanding KM Options	“See-through” Option Offer Price (HK\$)
US\$0.9445 (approximately HK\$7.3671)	7,708,599	5.6329
US\$1.1453 (approximately HK\$8.9333)	873,103	4.0667
US\$1.3655 (approximately HK\$10.6509)	948,494	2.3491
US\$1.5172 (approximately HK\$11.8342)	1,988,446	1.1658

***Post-IPO Share Options***

Exercise price per Post-IPO Share Option	Number of outstanding Post-IPO Share Options	“See-through” Option Offer Price (HK\$)
HK\$22.78	384,000	0.0001
HK\$24.50	10,641,200	0.0001
HK\$27.30	6,150,000	0.0001

Further information on the Option Offers will be set out in a letter to the Option-holders, which will be despatched at or around the same time as the despatch of the Scheme Document.

As at the Announcement Date, except as disclosed below, the Offeror, the Consortium and the Offeror Concert Parties do not hold any Options.

Holder of Tier 1 Options	Number of Tier 1 Options with an exercise price of US\$0.46 (approximately HK\$3.5880)
Mr. Shen	7,799,856
<b>Total</b>	<b>7,799,856</b>

Holder of Post-IPO Share Options	Number of Post-IPO Share Options with an exercise price of		
	HK\$22.78	HK\$24.50	HK\$27.30
Mr. Shen	192,000	-	-
Mr. Gibson	192,000	-	-
<b>Total</b>	<b>384,000</b>	<b>-</b>	<b>-</b>

Mr. Shen and Mr. Gibson have undertaken as part of the Subscription and Rollover Arrangements to accept the Option Offers in respect of all of the Tier 1 Options and Post-IPO Share Options which they hold.

As at the Announcement Date, all outstanding Tier 1 Options, KM Options and Post-IPO Share Options are vested. All Options will remain valid and exercisable during their respective option periods in accordance with the terms of the Tier 1 ESOP, KM ESOP or the Post-IPO Share Option Scheme, as applicable, on or before the Scheme Record Date. Any Shares so issued upon exercise of the Options after the Announcement Date will be subject to and eligible to participate in the Scheme as Scheme Shares notwithstanding the Proposal. In accordance with the terms of the KM ESOP as amended on 4 December 2024, any KM Option which has not been exercised by the Scheme Record Date and which has not been cancelled pursuant to the Proposal as its holder has not accepted the Option Offer will automatically lapse on the Effective Date. In accordance with the terms of the Post-IPO Share Option Scheme as amended on 4 December 2024, the lapse date of the Post-IPO Share Options shall be the Effective Date. As at the Announcement Date, the exercise of all of the outstanding Tier 1 Options, KM Options and Post-IPO Share Options in full would result in the issue of 36,493,698 new Shares (representing approximately 0.86% of the issued Shares as at the Announcement Date and approximately 0.85% of the issued share capital of the Company as enlarged by the issue of such new Shares).

### **The Award Proposal**

As at the Announcement Date, the Company has 7,816,050 outstanding Awards in issue and 8,724,054 allocated (but as yet ungranted) new Awards as approved by the Company's remuneration committee, consisting of 3,221,810 outstanding performance share units granted under the Long Term Incentive Scheme and 4,594,240 outstanding restricted share units granted under the Long Term Incentive Scheme, and 4,923,847 allocated new performance share units and 3,800,207 allocated new restricted share units. Each performance share unit and restricted share unit represents a contingent right to receive a Share or a cash payment subject to certain terms and conditions set out in the Long Term Incentive Scheme and the relevant grant letter. The Company has undertaken in the Implementation Agreement that it will not grant any further Awards between the Announcement Date and the Effective Date, other than the 8,724,054 new allocated (but as yet ungranted) Awards under the Long Term Incentive Scheme, which will be awarded shortly after the Announcement Date. The Offeror has provided its consent to such grant in the Implementation Agreement for the purposes of Rule 4 of the Takeovers Code.

Under the rules of the Long Term Incentive Scheme, if a general offer (including a scheme of arrangement) is made to all Shareholders (or all such Shareholders other than the Offeror and/or the Offeror Concert Parties), the Company shall use its best endeavours to procure that such offer is extended to all Award-holders, and if the offer is approved or becomes or is declared unconditional, the Awards will vest in whole or in part on a date specified by the Board and all Awards which have not vested shall lapse immediately. The Company has absolute discretion to settle any vested Awards by allotting and issuing new Shares to the relevant Award-holders, directing and procuring the Trustee to transfer existing Shares to the relevant Award-holders, or make a cash payment in an amount equal to the number of Shares underlying the Awards which have vested multiplied by the closing price of a Share as quoted on the Stock Exchange on the vesting date (or the last trading day preceding the vesting date if the vesting date is not a trading day) to the relevant Award-holders. All of the outstanding Awards that vest after the Announcement Date but before the Effective Date in accordance with their original vesting schedules will be cash settled. The Board has determined that if the Scheme is approved by the Scheme Shareholders at the Court Meeting, all of the then still outstanding unvested Awards will vest (and with respect to performance share units which had a variable performance factor, these will vest up to 100%) on the Effective Date.

The Award Proposal will be made to the holders of the outstanding Awards (including Mr. Shen and Mr. Gibson) in respect of their outstanding Awards (which have not otherwise lapsed or been cancelled or exercised under the rules of the Long Term Incentive Scheme) in accordance with Rule 13 of the

Takeovers Code to cancel every outstanding Award on the Effective Date, subject to the Scheme becoming effective.

Under the Award Proposal, the Company will pay to each Award-holder the “see-through” Award Proposal Price (being the Cancellation Price as there is no exercise price for the Awards) for the cancellation of every Award. No action will be required to be taken by any Award-holder in order for him/her to receive the Award Proposal Price under the Award Proposal and as such, the Awards will be cash settled.

To facilitate the administration of the Long Term Incentive Scheme, new Shares have been issued to and purchased on-market by the Trustee from time to time. As at the Announcement Date, the Trustee held on trust an aggregate of 352,613 Shares (representing approximately 0.01% of the issued Shares as at the Announcement Date) for the purpose of future satisfaction of Awards granted.

All of the Shares held by the Trustee on the Scheme Record Date will form part of the Scheme Shares and be cancelled upon the Scheme becoming effective. The Company has undertaken to procure that the Trustee shall elect the Cash Alternative in respect of all of the Scheme Shares it holds on the Scheme Record Date.

For the avoidance of doubt, the Trustee is not acting in concert with the Offeror, and therefore the Shares held by the Trustee are Shares held by a Disinterested Shareholder and are entitled to be voted at the Court Meeting and the EGM. However, under Rule 17.05A of the Listing Rules, a trustee holding unvested shares of a share scheme shall abstain from voting on matters that require shareholders’ approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner’s direction and such a direction is given. Accordingly, the Trustee shall not exercise the voting rights attached to the Shares held by it. The Shares held by the Trustee on the record date for the Court Meeting and the EGM will not be voted at the Court Meeting or at the EGM notwithstanding that such Shares form part of the Scheme Shares.

Further information on the Award Proposal will be set out in a letter to the Award-holders, which will be despatched at or around the same time as the despatch of the Scheme Document.

As at the Announcement Date, except as disclosed below, the Offeror, the Consortium and the Offeror Concert Parties do not hold any Awards:

Holder of Awards	Existing performance share units	Number of outstanding and/or allocated Awards				
		Allocated but not yet granted performance share units	Number of Shares underlying the performance share units	Existing restricted share units	Allocated but not yet granted restricted share units	Number of Shares underlying the restricted share units
Mr. Shen	411,510 <sup>(1)</sup>	561,820 <sup>(2)</sup>	973,330	210,683	0	210,683
Mr. Gibson	411,510 <sup>(1)</sup>	561,820 <sup>(2)</sup>	973,330	210,683	0	210,683

<sup>(1)</sup> Of the 411,510 existing performance share units held by each of Mr. Shen and Mr. Gibson, 280,910 of these have a variable performance factor. The Independent Board Committee has approved acceleration of such performance share units on the basis of up to 100% vesting into Shares.

<sup>(2)</sup> Such 561,820 performance share units have been allocated to Mr. Shen and Mr. Gibson and will only be granted after the Announcement Date.

**The Offeror will not increase the Cancellation Consideration, the Option Offer Price or the Award Proposal Price and does not reserve the right to do so. Shareholders, Option-holders, Award-holders and/or potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Consideration, the Option Offer Price or the Award Proposal Price.**

As at the Announcement Date, there are no outstanding dividends which have been declared by the Company and not yet paid. If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced (and the Option Offer Price and the Award Proposal Price shall be reduced accordingly). The Company has confirmed that it does not intend to, and has agreed under the Implementation Agreement not to, announce, declare or pay any dividend, distribution or other return of capital before the Effective Date.

No fractions of a cent will be payable and the amount of cash consideration payable to the Scheme Shareholders, the Option-holders and the Award-holders will be rounded up to the nearest cent.

#### **Pre-Conditions to the Proposal and the Scheme**

The making of the Proposal is, and the implementation of the Scheme will be, subject to the satisfaction or waiver (as applicable) of the following Pre-Conditions:

- (a) notice having been provided to the United Kingdom Financial Conduct Authority under section 178 of FSMA, and the United Kingdom Financial Conduct Authority, in respect of the Offeror and any other persons acquiring or increasing control in connection with the implementation of the Proposal over entities in the Group which are regulated by the United Kingdom Financial Conduct Authority, for the purposes of Part XII of FSMA:
  - (i) having given notice in writing of its unconditional approval of the acquisition or increase in control by the Offeror and any other persons in accordance with section 189(4)(a) of FSMA;
  - (ii) having given notice in writing that it proposes to approve the acquisition or increase of control by the Offeror and any other persons subject to conditions in accordance with section 189(4)(b)(i) of FSMA where those conditions are satisfactory to the Offeror; or
  - (iii) being treated as having approved the acquisition or increase of control by the Offeror and any other persons in accordance with section 189(6) of FSMA;
- (b) all necessary consents which are either unconditional or subject to conditions which are satisfactory to the Offeror having been obtained under the Overseas Investment Act 2005 (NZ) for, or in connection with, the implementation of the Proposal;
- (c) either:
  - (i) the Treasurer of the Commonwealth of Australia (or his or her delegate) having provided a written notice under the Australian Foreign Acquisitions and Takeovers Act 1975 to the effect that, the Australian Commonwealth Government does not object to the implementation of the Proposal, either without conditions (other than the conditions set out in the list of standard tax conditions published in FIRB Guidance 12 – Tax

Conditions on the FIRB website under “Guidance notes”) or otherwise on terms acceptable to the Offeror; or

- (ii) following notice of the Proposal to the Treasurer of the Commonwealth of Australia under the Australian Foreign Acquisitions and Takeovers Act 1975, the Treasurer of the Commonwealth of Australia ceasing to be empowered to make any order under Division 2 of Part 3 of the Australian Foreign Acquisitions and Takeovers Act 1975;
- (d) approval from the SFC which is either unconditional or subject to conditions which are satisfactory to the Offeror having been obtained for the Offeror and any other person becoming a “substantial shareholder” (as defined in Schedule 1 of the SFO) of the relevant SFC regulated entities in the Group as a result of the implementation of the Proposal pursuant to section 132 of the SFO, and such approval being in full force and effect;
- (e) following the submission of an application for approval from the Monetary Authority of Singapore, pursuant to Section 97A of the SFA, for the Offeror and any other person to acquire effective control of certain licensed entities in the Group in connection with the implementation of the Proposal, the Monetary Authority of Singapore:
  - (i) having given notice in writing of its unconditional approval pursuant to Section 97A of the SFA; or
  - (ii) having given notice in writing of its approval pursuant to Section 97A of the SFA subject to conditions which are satisfactory to the Offeror, and where one or more of the conditions are required by the Monetary Authority of Singapore to be satisfied prior to completion of the implementation of the Proposal, such conditions having been satisfied,and, in either case, such approval not having been withdrawn or revoked;
- (f) notification having been received from the Guernsey Financial Services Commission that:
  - (i) it does not object to the Offeror and any other person who will become the holder of a “vetted supervised role” or “approved supervised role” (each as defined in section 39(1) and 39(2) respectively of the POI Law) of the relevant member of the Group pursuant to POI Law as a consequence of the implementation of the Proposal becoming a holder of a vetted supervised role or an approved supervised role (as applicable), in each case in accordance with sections 40(1) and 41(1) respectively of the POI Law; and
  - (ii) to the extent consent or objection is required in respect of the implementation of the Proposal pursuant to the terms of any authorisations, registrations, exemptions, consents, permits or licenses issued by the Guernsey Financial Services Commission to any other Group Company, consent or no objection that is either unconditional in all respects or subject to conditions which are satisfactory to the Offeror having been received from the Guernsey Financial Services Commission;
- (g) notification having been provided to the Shanghai Municipal Financial Regulatory Bureau in accordance with the local regulatory requirements, in respect of the Offeror acquiring an indirect shareholding in the limited partners and the manager of 上海易渊股权投资基金合伙企业（有限合伙），which is a QFLP regulated by the Shanghai Municipal Financial Regulatory Bureau, as a result of implementing the Proposal, and the Company not having received any objection from the Shanghai Municipal Financial Regulatory Bureau (or the Shanghai Municipal Financial Regulatory Bureau otherwise imposing conditions in connection with the Proposal (if any) which are satisfactory to the Offeror and which have been satisfied);

- (h) approval by the Korea Fair Trade Commission of the business combination report regarding the Proposal which is either unconditional or subject to conditions which are satisfactory to the Offeror having been obtained by the Offeror, and such approval not having been withdrawn or revoked; and
- (i) (A) all other approvals by any Governmental Authority in any jurisdiction which are required under Applicable Laws to enable the making of the Proposal or its implementation in accordance with its terms having been obtained without any conditions (other than conditions satisfactory to the Offeror) imposed by the relevant Governmental Authority, and (B) neither of the Offeror nor the Company having received any written notice from any Governmental Authority in any jurisdiction which prohibits the Proposal or makes the consummation of the Proposal or its implementation in accordance with its terms void, unenforceable or illegal.

The Pre-Conditions set out in paragraphs (a) to (f) and (h) above are not waivable, but the Offeror may, in its sole discretion and to the extent it thinks fit depending on the progress made on the satisfaction of such Pre-Conditions, elect to proceed with the implementation of the Proposal notwithstanding that not all of these Pre-Conditions have been fully satisfied by the Pre-Conditions Long Stop Date, provided that these Pre-Conditions are fully satisfied by the Conditions Long Stop Date. The Offeror and the Company propose to make the notifications, filings or applications which are necessary with respect to the fulfilment of the Pre-Conditions set out in paragraphs (a) to (f) and (h) above as soon as is reasonably practicable after the Announcement Date.

The Pre-Conditions set out in paragraphs (g) and (i) above may be waived, either in whole or in part, either generally or in respect of any matter, at the sole discretion of the Offeror and to the extent it thinks fit. The Company will use commercially reasonable endeavours to procure the satisfaction of the Pre-Conditions set out in (g) and (i) above as soon as practicable after the Announcement Date.

The Offeror and the Company will jointly issue a further announcement as soon as possible after the Pre-Conditions have been satisfied or waived (as applicable). If the Pre-Conditions are not satisfied or waived or if the Offeror has not elected to proceed with the implementation of the Proposal on or before the Pre-Conditions Long Stop Date, the Proposal will not be implemented, and the Shareholders, the Option-holders and the Award-holders will be notified by a further announcement as soon as practicable thereafter.

**WARNING: Unless the Offeror otherwise elects, the Pre-Conditions must be satisfied or waived (as applicable) before the Proposal is implemented. The implementation of the Proposal is therefore only a possibility and all references to the Proposal in this announcement are reference to the possible Proposal which will be implemented if and only if the Pre-Conditions are satisfied or waived or if the Offeror otherwise elects. Accordingly, Shareholders, Option-holders, Award-holders and/or potential investors of the Company should therefore exercise caution when dealing in the Shares.**

### **Conditions of the Proposal and the Scheme**

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Scheme Shareholders, subject to the satisfaction or a valid waiver (as applicable) of the following Conditions:

- (a) the approval of the Scheme (by way of poll) at the Court Meeting by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by Disinterested Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Shareholders that are voted, either in person or by proxy, at the Court Meeting, provided that the number of votes



cast (by way of poll) by the Disinterested Shareholders present and voting, either in person or by proxy, at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all Disinterested Shareholders;

- (c) the passing by the Shareholders at the EGM of a special resolution (by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting, either in person or by proxy, at the EGM) to approve and give effect to any reduction of the issued share capital of the Company by the cancellation of the Scheme Shares, and to apply the reserve created by the cancellation of the Scheme Shares to contemporaneously maintain the issued share capital of the Company at the amount immediately prior to the cancellation and extinguishment of the Scheme Shares by the allotment and issue to the Offeror of such number of new Shares (credited as fully paid at par) as is equal to the number of the Scheme Shares cancelled;
- (d) the sanction of the Scheme (with or without modifications) by the Court and the delivery of a copy of the order of the Court to the Registrar of Companies for registration;
- (e) all Authorisations which are required under or in connection with any Applicable Laws or any licenses or permits of the Company in connection with the Proposal or its implementation in accordance with its terms having been obtained and remaining in full force and effect without modification;
- (f) between the Announcement Date up to the time when the Scheme becomes effective, no Governmental Authority having taken or instituted any action, proceeding, suit, investigation or enquiry, or enacted, made, proposed, issued, enforced or imposed any Applicable Laws, or other legal restraint or prohibition that would make the Proposal or its implementation in accordance with its terms void, unenforceable or illegal, or which would impose any material and adverse conditions or obligations with respect to the Proposal or participation therein or its implementation in accordance with its terms, or otherwise restrain or prohibit the implementation of the Proposal, or cause any transaction contemplated by the Proposal to be rescinded or otherwise disposed of after its implementation; and
- (g) between the Announcement Date up to immediately prior to the time when the Scheme becomes effective, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal).

Conditions (a) to (d) cannot be waived. Subject to the requirements of the Executive, the Offeror reserves the right (but is in no way obliged) to waive Conditions (e) to (g) in whole or in part, either generally or in respect of any particular matter. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to a right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. The Company has no right to waive any of the Conditions.

As at the Announcement Date:

- with respect to the Condition in paragraph (e), each of the Offeror and the Company is not aware of any requirement for Authorisations other than those set out in the Pre-Conditions in paragraphs (a) to (h), or the Conditions in paragraphs (a) to (d); and
- each of the Offeror and the Company is not aware of any circumstances which may result in Conditions in paragraphs (a) to (g) not being satisfied.

As at the Announcement Date, none of the Conditions have been satisfied or waived.

All of the Conditions above will have to be satisfied or waived (as applicable) on or before the Conditions Long Stop Date, failing which the Proposal and the Scheme will lapse. When all of the Conditions above are satisfied or waived (as applicable), the Scheme will become effective and binding on the Company, the Offeror and all Scheme Shareholders (irrespective of whether or not he, she or it attends or votes at the Court Meeting or the EGM).

Each of the Option Offers and the Award Proposal is conditional upon the Scheme becoming effective.

**WARNING: Shareholders, Option-holders, Award-holders and/or potential investors of the Company should be aware that unless the Offeror otherwise elects, the implementation of the Proposal will only become effective after all of the Pre-Conditions and Conditions being satisfied or waived (as applicable) and thus the Proposal may or may not be implemented, the Scheme may or may not become effective, the Option Offers and the Award Proposal may or may not be implemented. Shareholders, Option-holders, Award-holders and/or potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional adviser.**

## **IMPLEMENTATION AGREEMENT**

The Company has provided the Implementation Agreement in favour of the Offeror, pursuant to which the Company irrevocably undertook to the Offeror to put forward the Scheme to the Scheme Shareholders and to implement the Proposal on the terms and subject to the Pre-Conditions and Conditions and to give effect to the matters specified in this announcement, the Scheme Document and any order of the Court, including to:

- (a) use commercially reasonable endeavours to convene all necessary board and shareholder meetings and/or pass such board resolutions as may be required to enable the Proposal to be implemented as soon as reasonably practicable after the date of the Implementation Agreement;
- (b) use commercially reasonable endeavours to engage relevant advisers and property valuers to prepare all such documents and make such submissions or applications, as are required under the Takeovers Code and/or the Listing Rules, and provide all such assistance to the Offeror in communicating with relevant regulatory authorities and other third parties for the purposes of implementing the Proposal;
- (c) use commercially reasonable endeavours to procure, to the extent relevant to the Group, the satisfaction of the Pre-Conditions and the Conditions as soon as reasonably practicable after the date of the Implementation Agreement and before the Pre-Conditions Long Stop Date and the Conditions Long Stop Date (as appropriate) and to provide all such information or assistance as the Offeror may reasonably require in order for the Offeror to satisfy the Pre-Conditions and the Conditions relevant to it, and to notify the Offeror of any notices or notifications relating to the progress and satisfaction of the Pre-Conditions and the Conditions;
- (d) use commercially reasonable endeavours to promptly issue notices and make all such determinations as may be required under the rules of the Tier 1 ESOP, KM ESOP, the Post-IPO Share Option Scheme and the Long Term Incentive Scheme to facilitate the making of the Option Offers and Award Proposal, and procure the Trustee to elect the Cash Alternative in respect of all of the Scheme Shares held by it on the Scheme Record Date;
- (e) use commercially reasonable endeavours to provide to the Offeror all such information relating to it and/or the Group required to be included in this announcement, the Scheme Document and any other document, announcement or circular of the Offeror relating to or in connection with the Proposal, and subject to and only upon clearance by the Executive and the Stock Exchange and the approval, release and authorization by the Offeror, issue subsequent announcements,

the Scheme Document and other documents required in connection with the Proposal as soon as reasonably practicable in accordance with the requirements of the Takeovers Code, the Executive or the Listing Rules;

- (f) use commercially reasonable endeavours to complete all necessary Court filings and procedures, provide to the Offeror all necessary undertakings to the Court as may be reasonably required to implement the Proposal on its terms;
- (g) ensure that during the period between the date of the Implementation Agreement and the Effective Date, the Company and each member of the Group shall continue to operate in the ordinary and usual course of business, and no member of the Group shall, without the written consent of the Offeror and subject to certain exceptions and carve-outs, commit to or do or permit certain non-ordinary course matters as stipulated in the Implementation Agreement (including the entering into or adoption of a plan or agreement of liquidation or dissolution, the declaration or payment of any dividends or distributions, the incurrence of new or additional financial indebtedness or issuance of debt securities or entering into of new security documents, the making of any material changes to the accounting procedures or principles by reference to which its accounts are prepared or its accounting reference date, and the taking of any frustrating actions (as defined in Rule 4 of the Takeovers Code)) to occur;
- (h) use commercially reasonable endeavours not to knowingly take any action or make any statement which has or may reasonably be expected to have the effect of prejudicing, preventing, delaying or disrupting the Proposal, otherwise causing the Proposal not to become effective at the earliest practicable time or at all;
- (i) take all actions as is reasonably necessary, proper or advisable to enable the withdrawal of listing of the Shares from the Stock Exchange as promptly as practicable after the Effective Date;
- (j) provide certain customary warranties in relation to the capital structure, financial status, compliance and dispute related matters of the Group and undertakings to the Offeror with respect to operational and financial matters of the Group;
- (k) use commercially reasonable endeavours to promptly notify the Offeror of any breach of warranties or covenants of the Company or any other change or event that would be reasonably likely to prejudice, prevent, delay or disrupt the Proposal; and
- (l) if required by the Offeror, use its best endeavours to enter into the necessary documentation to implement and effect (conditional upon completion of the Scheme) the subscription by an entity owned by one or more members of the Consortium of a certain number of preference shares in the holding company for the Company's India business upon completion of the Scheme and with the intention that there will be no financial impact on the Company or its shareholders or financial benefit or burden for the relevant members of the Consortium who hold such preference shares.

The Implementation Agreement will terminate on the earliest of any of the Pre-Conditions not being satisfied or waived by the Pre-Conditions Long Stop Date (unless the Offeror elects to proceed with the implementation of the Proposal notwithstanding that the Pre-Conditions have not yet been fully satisfied by the Pre-Conditions Long Stop Date), any of the Conditions not being satisfied or waived by the Conditions Long Stop Date, the Scheme not being approved at the Court Meeting or the Scheme not being sanctioned by the Court.

## **ARRANGEMENTS MATERIAL TO THE PROPOSAL**

### **The Exclusivity and Standstill Arrangements**

On 4 October 2024, the Consortium Members entered into the exclusivity and standstill agreement for the purposes of, among other things, recording the formation of the Consortium, and setting out the basis upon which the Consortium Members have agreed to pursue and implement the Proposal exclusively and in co-operation with each other, as well as certain dealing restrictions of the Consortium Members in relation to interests in the Company, in order to preserve the overall interests of the Consortium in pursuing the Proposal.

The exclusivity and standstill agreement will be terminated if, among others, the Conditions are not satisfied or waived in accordance with their terms or the Proposal otherwise lapses, or the parties thereto mutually agreeing to terminate their participation in the Proposal.

### **The Subscription and Rollover Arrangement**

On 4 December 2024, the Offeror, HoldCo, MidCo, EquityCo and each Consortium Member entered into a subscription and rollover agreement, pursuant to which the parties agreed to conduct and implement the Proposal and to implement the Subscription and Rollover Arrangement, including to exercise (or procure the exercise of) all voting rights attached to the Shares held by each Consortium Member at the Court Meeting and the EGM (to the extent permitted under the Applicable Laws) in favour of all resolutions to implement the Proposal and any matters in connection with the Proposal.

Prior to the Effective Date, the Starwood Entities, SSW (ESR) SPV, L.P., Sixth Street Entity, Alexandrite Gem Holdings Limited, Athena Logistics Holding Ltd. and the WP Other Entities, Laurels, Mr. Gibson and Redwood, and Qatar Holding will be allotted and issued their respective number of unpaid EquityCo Shares, which includes their respective Rollover EquityCo Shares (to the extent applicable).

Under the Subscription and Rollover Arrangement, conditional upon the Scheme becoming effective:

- (a) on the Effective Date:
  - (i) all of the Scheme Shares will be cancelled pursuant to the Scheme; and
  - (ii) EquityCo shall credit such number of Rollover EquityCo Shares to be held by each Rollover Consortium Member as the Cancellation Consideration for its Scheme Shares, in each case as fully paid by such Rollover Consortium Member in an amount equal to US\$1.67 (being HK\$13 converted into US\$ at an agreed exchange rate of US\$1 to HK\$7.80, solely for the purposes of this announcement, rounded to two decimal places) per EquityCo Share;
- (b) on the Effective Date:
  - (i) each of the New Money Consortium Members will pay, or procure the payment of, their respective New Money Subscription Consideration (after taking into account the scale-back mechanism pursuant to paragraph (f) below) in cash to EquityCo, upon which the unpaid EquityCo Shares held by each of the New Money Consortium Members corresponding to their respective New Money Subscription Consideration shall be credited as fully paid;
  - (ii) EquityCo shall redeem, cancel, or procure the repurchase and cancellation of, such number of excess EquityCo Shares; and

- (iii) each of EquityCo and the Offeror shall take such actions and execute (or procure the execution of) such further documents and each Consortium Member shall take such actions and execute (or procure the execution of) such further documents as may be required by Applicable Laws or be necessary to implement and give effect to such cancellation of such EquityCo Shares and the push down of the subscription funds to the Offeror in a manner to be determined by the Consortium Members;
- (c) the New Money Subscription Consideration amount for each New Money Consortium Member set out below will be determined after the latest time for election of the Cash Alternative or the Share Alternative under the Proposal and may be adjusted downward for certain New Money Consortium Members as described in paragraph (f):

<b>Consortium Member</b>	<b>New Money Subscription Consideration (US\$)</b>
Starwood Entities	600,000,000
SSW Entities	235,000,000
Sixth Street Entity	591,666,667
WP Other Entities	520,000,000
Mr. Shen and Laurels	-
Redwood (or its affiliate)	-
Mr. Gibson (or an affiliate)	-
Qatar Holding	200,000,000
<b><u>Total</u></b>	<b><u>2,146,666,667</u></b>

- (d) the number of Rollover EquityCo Shares of each Rollover Consortium Member is as follows:

<b>Rollover Consortium Member</b>	<b>Rollover EquityCo Shares</b>
Starwood	448,933,103
SSW Entities	213,174,600
WP Rollover Entities	591,440,160
Mr. Shen and Laurels	258,314,831
Redwood (or its affiliate)	850,000
Mr. Gibson (or an affiliate)	331,427
Qatar Holding	127,257,914
<b><u>Total</u></b>	<b><u>1,640,302,035</u></b>

- (e) The Consortium Members agree that, in view of the Cancellation Price, assuming all of the Scheme Shareholders who are not Consortium Members elect to receive only the Cash Alternative and having regard to the EquityCo Shares to be subscribed for by the Rollover IU Shareholders, the amount set out in the “New Money Subscription Consideration” column in (c) above against each New Money Consortium Member’s name, respectively, represents and constitutes the maximum amount of new money equity contribution required to be funded by such New Money Consortium Member, as mutually anticipated by the Consortium Members as at the date of this Agreement in order to complete and consummate the Scheme and the Proposal;

- (f) If, after the latest time for election by Scheme Shareholders of the Cash Alternative or the Share Alternative (and the final determination and result of such election) under the Proposal and prior to the Effective Date (and taking into account the result of such election by the Scheme Shareholders who elect the Share Alternative), the Consortium does not require the full amount of the maximum New Money Subscription Consideration to fund the completion of the Scheme and the Proposal, the New Money Subscription Consideration amount for each New Money Consortium Member set out in (c) above may be adjusted downward for certain New Money Consortium Members as described in the following order:
- (i) first, the draw-down amount under the Offer Facility shall be reduced, to no less than US\$1 billion;
  - (ii) second, if the draw-down amount under the Offer Facility has been reduced to US\$1 billion under (i) above, Sixth Street Entity's subscription amount shall be reduced, provided it shall not be reduced to below the higher of:
    - (A) an amount which would result in Sixth Street Entity's Undiluted Shareholding in EquityCo immediately following the subscription of EquityCo Shares by New Money Consortium Members being 7.5%; and
    - (B) US\$450 million; and
  - (iii) third, the Consortium Members shall discuss further reductions to the subscription amounts and/or the use of proceeds.

### **The Shareholder Arrangements**

In connection with the Subscription and Rollover Arrangement, EquityCo and the Consortium Members will, prior to or upon completion of the Proposal, enter into an agreement reflecting the Shareholder Arrangements in respect of the future governance of EquityCo, which shall indirectly hold 100% of the Company. Key provisions of the Shareholder Arrangements will also be reflected in the memorandum and articles of association of EquityCo (a copy of which is available from ConsortiumProposalAnnouncements.com).

A summary of the key terms of the Shareholder Arrangements is set out below:

- (a) **Voting rights:** Each EquityCo Share shall carry one vote each.
- (b) **Governance:** Subject to (i) certain 5% Matters and (ii) the Special Board Matters, the EquityCo Board shall be responsible for the overall direction, supervision and management of the EquityCo Group. Decisions of the EquityCo Board that are not 5% Matters or Special Board Matters will be decided by a simple majority of the EquityCo Board.
- (c) **Composition of the EquityCo Board:**
  - (i) each Founder is entitled to be appointed as a director so long as he is (A) a CEO; or (B) he has an actual shareholding in EquityCo of at least 2.5% and an Undiluted Shareholding in EquityCo that is at least 7.5% (or, with respect to Laurels, if lower its Undiluted Shareholding on the Effective Date), and he has not been dismissed from the Group for cause;
  - (ii) each Consortium Member (other than the Founder Parties) has the right to appoint at least one director if its Undiluted Shareholding in EquityCo is at least 7.5% and its actual shareholding in EquityCo is at least 2.5%, and if any of their Undiluted Shareholding in EquityCo is more than 10%, then it will have the right to appoint one director for each 10% of its Undiluted Shareholding in EquityCo (rounded to the

nearest 10%). For this purpose, each Consortium Member's shareholding in EquityCo shall be viewed on an aggregate basis for any EquityCo Shareholder who is from the same Consortium Member group;

- (iii) (x) any other EquityCo Shareholder from time to time (regardless of their holding of EquityCo Shares), the Founders or any senior member of management may be invited by the EquityCo Board to put forward, and (y) to enhance EquityCo's corporate governance structure and expertise and to ensure representation from a diverse range of shareholders, the memorandum and articles of association of EquityCo provide that Shareholders (irrespective of shareholding level) who elect the Share Alternative may (without any invitation from the Board to do so) put forward, a nominee to join the EquityCo Board after the Effective Date, appointment of which will be subject to approval of the majority of the EquityCo Board. It is anticipated that independent and other non-executive directors will be appointed; and
  - (iv) the fund manager to be appointed to EquityCo, MidCo, HoldCo and the Offeror shall be entitled to appoint a director to the EquityCo Board to assist in providing advice to the EquityCo Board with respect to certain matters.
- (d) **Conflicts of interest:** the EquityCo Shareholders and directors of EquityCo and the Company will be subject to typical conflict of interest provisions which will require them to disclose conflicts and limit their ability to be provided information or vote in certain situations.
- (e) **Further funding and pre-emption rights:** no EquityCo Shareholder shall have any further funding obligations following the delisting of the Company. Any new issuance of EquityCo Shares shall be offered *pro rata* to each EquityCo Shareholder whose actual shareholding in EquityCo is more than 1% for subscription on the same terms (including right to over-allotment), subject to certain exceptions for: (i) emergency funding; (ii) issuances pursuant to the Shen Options; (iii) issuances pursuant to the acquisition of the Group of stakes that the founders of certain businesses of the Company or the Group employees hold in Group Companies, or in satisfaction of their incentivisation arrangements up to a pre-agreed cap; (iv) issuances pursuant to any management incentive plan, or other equity or profit sharing incentive plan, up to a pre-agreed cap; (v) issuances in connection with an initial public offering of another entity which owns all or substantially all of the assets of EquityCo that has been approved by EquityCo Board or as a Special Board Matter; (vi) issuances to certain investors that are considered strategic by the Board as agreed by the Consortium Members within nine months of completion of the Proposal as approved as a Special Board Matter.
- (f) **Transfer restrictions on all EquityCo Shareholders:** Subject to customary permitted affiliate transfers, all EquityCo Shares shall be subject to restrictions on transfers during the Lock-up Period with corresponding restrictions on indirect transfers, provided that such lock-up may only be released or amended with approval as a Special Board Matter.
- (g) **Post Lock-up Period transfers:** Transfers of EquityCo Shares to third parties after the Lock-up Period shall be subject to a right of first offer by the other non-selling EquityCo Shareholders who hold more than 1% of the EquityCo Shares. All EquityCo Shareholders will be entitled to customary full tag-along rights in respect of transfers resulting in the purchaser (together with its concert parties and affiliates) owning more than 50% of the EquityCo Shares and on certain transfers by the Founders.
- (h) **Exit:** Holders of a majority of EquityCo Shares and a certain number of Consortium Members will also be allowed to require EquityCo to conduct a sale process and all shareholders to sell on the same terms. Such sale will be subject to meeting certain minimum investment return requirements which diminish over time, with no floor applying after the sixth anniversary of the Effective Date.

- (i) **Information rights:** Each EquityCo Shareholder whose actual shareholding in EquityCo is at least 5% shall be entitled to receive a copy of the audited annual accounts of the Group and a quarterly information pack prepared by the Company's management containing key performance indicators about the Group.

### **The Shen Options**

Upon completion the Scheme, EquityCo will grant Mr. Shen the Shen Options to acquire, at an exercise price equal to the Cancellation Price per EquityCo Share, 42,454,283 EquityCo Shares.

Any EquityCo Shares issued to Mr. Shen and/or his affiliates upon an exercise of the Shen Options shall be subject to the same lock-up and/or transfer restrictions applicable to other EquityCo Shares held by Mr. Shen (and/or his affiliate(s)). In consideration for the grant of the Shen Options, Mr. Shen shall undertake that he will be involved in a senior management role with EquityCo and its subsidiaries, in each case, for a fixed period from completion of the Scheme, save for certain circumstances such as termination by the Company without cause. The grant of the Shen Options and the undertaking given by Mr. Shen help to support the Consortium's expectation that Mr. Shen, as an executive Director, Co-CEO and/or other senior management role, will, together with Mr. Gibson, continue to lead the business of the EquityCo Group and help drive its growth in the next phase of its development as a private company. The grant of the Shen Options is also to compensate Mr. Shen for settling his existing financial arrangements which are affected by the Proposal.

Mr. Shen and Mr. Gibson will continue to receive remuneration in their capacity as Co-CEO of the EquityCo Group which will, upon completion of the Proposal, remain consistent with their respective current remuneration package and which will be subject to periodic review by the EquityCo Board in the ordinary course of business. Mr. Portes is currently not expected to have an executive role in the EquityCo Group going forward, but he will remain a business partner of Mr. Gibson with his investment in the EquityCo Group through Redwood or another entity jointly controlled by him and Mr. Gibson as a shareholder of EquityCo.

### **IRREVOCABLE UNDERTAKINGS**

On 4 December 2024, the Offeror received an Irrevocable Undertaking from each of the IU Shareholders (comprising OMERS, Mr. Lim, Straits, APG and SMBC), pursuant to which each of the IU Shareholders has undertaken, amongst other things:

- (a) to exercise (or procure the exercise of) all voting rights attached to the IU Scheme Shares held or owned by it/him to vote:
- (i) in favour of the Scheme at the Court Meeting;
  - (ii) in favour of the resolutions at the EGM to give effect to the Scheme; and
  - (iii) in favour of any resolutions at the Court Meeting, the EGM and any general, class or other meeting of the Shareholders in such a way which will facilitate or assist the implementation of the Proposal and the Scheme; and
- (b) that it/he shall not, and/or (as applicable) shall procure that none of its/his affiliates shall, on or before the Effective Date and other than in connection with the Scheme or pursuant to election of the form of Cancellation Consideration, directly or indirectly, sell, transfer, create any encumbrance over or otherwise dispose of all or any of the IU Scheme Shares held or owned by it/him which are the subject of its/his respective Irrevocable Undertaking.

On the basis of the Cancellation Price being HK\$13.00 per IU Scheme Share held or owned by them, each of Mr. Lim, Straits and APG has undertaken to elect the Cash Alternative only as the form of



Cancellation Consideration for the cancellation of all of the IU Scheme Shares held or owned by it/him. SMBC has undertaken to elect the Share Alternative only as the form of Cancellation Consideration for the cancellation of all of the IU Scheme Shares held or owned by it. OMERS has undertaken to elect a combination of the Cash Alternative and Share Alternative for the cancellation of all of the IU Scheme Shares held or owned by it and will elect the Share Alternative for 319,313,360 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it (representing 70% of all of the IU Scheme Shares held or owned by OMERS as at the Announcement Date).

The 1,307,293,403 IU Scheme Shares held by the IU Shareholders which are the subject of the Irrevocable Undertakings represent approximately 30.79% of the total issued share capital of the Company and approximately 51.24% of the Scheme Shares held by the Disinterested Shareholders as at the Announcement Date.

Assuming (a) the Rollover Consortium Members and Rollover IU Shareholders that have executed the Irrevocable Undertakings choose the Share Alternative for the cancellation of all of the IU Scheme Shares held or owned by them (but for OMERS, only in respect of 319,313,360 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it), (b) all other Scheme Shareholders choose the Cash Alternative for the cancellation of all of the Scheme Shares held or owned by them (and OMERS chooses the Cash Alternative for the cancellation of 136,848,583 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it), (c) no outstanding Options or Awards are exercised and no further Shares are issued before the Scheme Record Date, and (d) there is no other change in the issued share capital of the Company before completion of the Proposal, upon the completion of the Proposal, the Company will be wholly-owned by the Offeror, which will be indirectly wholly-owned by EquityCo, which in turn will be held as to 84.81% by the Consortium Members and 15.19% by the Rollover IU Shareholders.

The Irrevocable Undertakings, being binding irrevocable undertakings, will terminate and the above obligations of the IU Shareholders under the applicable Irrevocable Undertakings will cease to be binding (a) if the Proposal is not implemented by the Conditions Long Stop Date, (b) if the Scheme is not approved at the Court Meeting; (c) the Maintenance of Capital is not approved at the EGM; (d) if at the court hearing, the Court does not sanction the Scheme; (e) if the Scheme lapses or is withdrawn in accordance with its terms; or (f) by mutual agreement of the relevant IU Shareholder and the Offeror, whichever is the earliest .

The Irrevocable Undertaking given by OMERS will also terminate and the above obligations of OMERS under the applicable Irrevocable Undertaking will also cease to be binding, (a) if the Scheme Document is not despatched by the date falling seven days or 21 days (if the Executive has provided its consent to the Offeror and the Company in respect of an extension of such seven day period) after the fulfilment of (where capable of waiver) waiver of all the Pre-Conditions (this also applies to the Irrevocable Undertaking given by APG), (b) if certain conditions are not fulfilled on or prior to the Effective Date; (c) if the Scheme does not become effective by the date falling 12 months after the Announcement Date; or (d) if any person other than the Offeror announces (by way of issuing an announcement under Rule 3.5 of the Takeovers Code), prior to the date of the Court Meeting and/or the EGM, a firm intention to make an offer to acquire all of the Scheme Shares (other than those held by it and persons acting in concert with it) on terms which represent a material improvement on the value of the consideration under the Scheme as at the date on which the competing offer is announced, whichever is the earliest.

The Irrevocable Undertakings given by Straits and by APG will also terminate and the above obligations of Straits or APG respectively under the applicable Irrevocable Undertaking will also cease to be binding, (a) if a competing announcement (containing an offer per Scheme Share for a cash value which is higher than the Cash Alternative) has been published by another offeror by way of issuing an announcement pursuant to Rule 3.5 of the Takeovers Code through the Stock Exchange's HKEx website and the Offeror has not announced (through the Stock Exchange's HKEx website) an increase of the Cash Alternative for a cancellation price for every Scheme Share under the Proposal which is higher

than the other offer within seven days of the date of such competing announcement, or (b) if another person interested in Scheme Shares has entered into an undertaking on more favourable terms than the Irrevocable Undertaking given by Straits or by APG respectively (subject to certain carve-outs), whichever is the earliest.

*As at the Announcement Date, the information about the IU Shareholders is as follows:*

### **OMERS**

OMERS is one of Canada's largest defined benefit pension plans. It is a substantial shareholder of the Company owning 456,161,943 Scheme Shares (representing approximately 10.74% of the issued share capital of the Company as at the Announcement Date).

### **Mr. Lim**

Mr. Lim is a non-executive Director and, directly and indirectly through wholly-controlled companies, holds an aggregate of 232,262,446 Scheme Shares (representing approximately 5.47% of the total issued Shares as at the Announcement Date).

### **Straits**

Straits is a company incorporated in Singapore with limited liability. Certain affiliates of Straits are collectively interested in 212,797,004 Scheme Shares (representing approximately 5.01% of the total issued Shares) as at the Announcement Date. The principal business activity of Straits is investment holding. The ordinary shares of Straits are listed on the Singapore Stock Exchange (SGX stock code: S20).

### **APG**

Stichting Depositary APG Strategic Real Estate Pool, which is established in the Netherlands, is the depositary of APG Strategic Real Estate Pool (the "**Pool**") holding 211,057,897 Scheme Shares (representing approximately 4.97% of the total issued Shares) as at the Announcement Date. The Pool is a fund formed for the purpose of collective investments by its participants, all being Dutch pension funds. The Pool is established as a fund for joint account (*fonds voor gemene rekening*) under Dutch laws. It is not a legal entity but a contractual arrangement between Stichting Depositary APG Strategic Real Estate Pool as its depositary, APG Asset Management N.V. as its manager, and its participants which invest in it through subscribing an interest in it.

### **SMBC**

SMBC is a company incorporated in Japan with limited liability. It holds 205,014,113 Shares (representing approximately 4.83% of the total issued Shares) as at the Announcement Date. The principal business activities of SMBC are banking and financial services. SMBC is wholly-owned by Sumitomo Mitsui Financial Group, which is listed on the Tokyo Stock Exchange, the Nagoya Stock Exchange and its ADRs are listed on the New York Stock Exchange.

## **CONFIRMATION OF FINANCIAL RESOURCES**

On the assumption that (a) the Rollover Consortium Members and the Rollover IU Shareholders that have executed the Irrevocable Undertakings elect the Share Alternative for the cancellation of all of the Scheme Shares held or owned by them (but for OMERS, only in respect of 319,313,360 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it), (b) all other Scheme Shareholders elect the Cash Alternative for the cancellation of all of the Scheme Shares held or owned by them (and OMERS elects the Cash Alternative for the cancellation of 136,848,583 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it), (c) all of the Option-holders exercise

all of their Options and all such Option-holders become Scheme Shareholders on or before the Scheme Record Date, (d) no other additional Shares are issued before the Scheme Record Date, and (e) there is no other change in the issued share capital of the Company before completion of the Proposal, the maximum amount of cash required for the Proposal (after taking into account the Option Offers and Award Proposal to be made) is approximately HK\$27,739,824,359.

As at the Announcement Date, the Offeror is financing the entire cash amount required for the Proposal from the New Money Subscription Consideration from the New Money Consortium Members and the Offer Facility.

Morgan Stanley, the co-lead financial adviser and sole structuring adviser to the Offeror in connection with the Proposal, is satisfied that sufficient financial resources are available to the Offeror for satisfying its obligations in respect of the full implementation of the Proposal in accordance with its terms.

## SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Announcement Date:

- (a) the authorized share capital of the Company is US\$8,000,000 divided into 8,000,000,000 Shares. The Company has 4,245,428,349 Shares in issue, 7,799,856 outstanding Tier 1 Options, 11,518,642 outstanding KM Options, 17,175,200 outstanding Post-IPO Share Options, 7,816,050 outstanding Awards in issue and 8,724,054 allocated new grants of Awards; and
- (b) the Offeror does not hold any Shares, but the Offeror Concert Parties (including the Consortium Members) are directly and indirectly interested in an aggregate of 1,694,178,073 Shares (representing approximately 39.91% of the total number of issued Shares as at the Announcement Date).

Save for the Tier 1 Options, KM Options, Post-IPO Share Options and the Awards, the Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares or other types of equity interest, and has not entered into any agreement for the issue of such options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) convertible into Shares as at the Announcement Date.

On the assumption that no outstanding Options are exercised or Awards vest on or before the Scheme Record Date and there is no change in the issued share capital of the Company before the Effective Date, the table below sets out the shareholding structure of the Company as at the Announcement Date and immediately upon completion of the Proposal:

	As at the Announcement Date		Immediately upon completion of the Proposal	
	Number of Shares held	Approximate % of the total issued Shares	Number of Shares held	Approximate % of the total issued Shares
<b>Offeror</b>	—	—	4,245,428,349	100%
<b>Offeror Concert Parties</b>				
- The Starwood Entities <sup>(1)</sup>	448,933,103	10.57%	—	—
- The SSW Entities <sup>(2)</sup>	213,174,600	5.02%	—	—
- Sixth Street Entity	-	-	—	—
- The WP Entities <sup>(3)</sup>	591,440,160	13.93%	—	—
- Mr. Shen and Laurels <sup>(4)</sup>	312,190,216	7.35%	—	—

- Redwood <sup>(5)</sup>	850,000	0.02%	—	—
- Mr. Gibson <sup>(5)</sup>	331,427	0.008%	—	—
- Qatar Holding	127,257,914	3.00%	—	—
- Goldman Sachs Asset Management Fund Services Limited <sup>(6)</sup>	653	0.00002%	—	—
<b>Sub-total: Offeror and the Offeror Concert Parties <sup>(6)</sup></b>	<b>1,694,178,073</b>	<b>39.91%</b>	<b>4,245,428,349</b>	<b>100%</b>
<b>Other Disinterested Shareholders</b>				
<b>IU Shareholders</b>				
- OMERS	456,161,943	10.74%	—	—
- Mr. Lim <sup>(7)</sup>	232,262,446	5.47%	—	—
- Straits	212,797,004	5.01%	—	—
- APG	211,057,897	4.97%	—	—
- SMBC	205,014,113	4.83%	—	—
<b>Sub-total: IU Shareholders</b>	<b>1,317,293,403</b>	<b>31.03%</b>	<b>—</b>	<b>—</b>
- Trustee <sup>(8)</sup>	352,613	0.008%	—	—
- Mr. Brett Harold Krause <sup>(9)</sup>	145,000	0.003%	—	—
- Other Disinterested Shareholders <sup>(10)</sup>	1,233,459,260	29.05%	—	—
<b>Sub-total: Disinterested Shareholders</b>	<b>2,551,250,276</b>	<b>60.09%</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>4,245,428,349</b>	<b>100%</b>	<b>4,245,428,349<sup>(11)</sup></b>	<b>100%</b>

Notes:

- 1 The Shares in which the Starwood Entities are interested are directly held by Starwood. Starwood is a subsidiary of S Asia Hold Co 1 Private Limited. S Asia Hold Co 1 Private Limited is a wholly-owned subsidiary of SOF-12 International SCSp, which is wholly-controlled by its general partner, SOF-12 International Management Sarl, a wholly-owned subsidiary of Starwood XII Management, LP. SOF-12 International Master Fund SCSp owns 67.31% interests in SOF-12 International SCSp. SOF-12 International Master Fund SCSp is wholly-controlled by its general partner, SOF-12 Master Fund Management Sàrl, a wholly-owned subsidiary of Starwood XII Management, LP. SOF-XII International Blocker LP owns 97.12% interests in SOF-12 International Master Fund SCSp. SOF-XII International Blocker LP is wholly-controlled by its general partner, SOF-XII Investors GP, LLC, a wholly-owned subsidiary of Starwood XII Management GP, LLC. Starwood XII Management, LP is wholly-controlled by its general partner Starwood XII Management GP, LLC, which is a wholly-owned subsidiary of Starwood Capital Group Global II, L.P., which is wholly-controlled by its general partner, SCGG II GP, LLC. SCGG II GP, LLC owns 96.74% interests in Starwood XII Management, LP. Starwood Capital Group Holdings L.P. owns 60% interests in Starwood Capital Group Global II, L.P.. SCGG II GP, LLC is wholly-owned by Starwood Capital Group Holdings GP L.L.C.. Starwood Capital Group Holdings L.P. is wholly-controlled by its general partner, Starwood Capital Group Holdings GP L.L.C., a wholly-owned subsidiary of BSS SCG GP Holdings L.L.C., where Mr. Barry Stuart Sternlicht holds 100% interests. Accordingly, Mr. Barry Stuart Sternlicht is deemed to be interested in the underlying Shares held by Starwood.
- 2 The Shares in which the SSW Entities are interested are directly held by SSW CEI (CN), L.P.. The general partner of SSW CEI (CN), L.P. is SSW CEI GP, LLC. Accordingly, SSW CEI GP, LLC is deemed to be interested in the underlying Shares held by SSW CEI (CN), L.P..
- 3 The Shares in which the WP Entities are interested are directly held by Alexandrite Gem Holdings Limited (“AGHL”) and Athena Logistics Holding Ltd. (“ALHL”) which hold 503,733,253 Shares and 87,706,907 Shares respectively. AGHL and ALHL are wholly-owned subsidiary of Alexandrite Gem TopCo Ltd (“AGTL”) and Athena Logistics TopCo

Ltd (“ALTL”) respectively. Both AGTL and ALTL are wholly-owned subsidiaries of Alexandrite Athena GroupCo Ltd (“AAGL”). AAGL is directly owned as to 41.46% and 35.19% by Warburg Pincus China, L.P. (“WP China”) and Warburg Pincus Private Equity XII, L.P. (“WP XII”) respectively, which are funds managed and advised by Warburg Pincus LLC. Warburg Pincus China GP, L.P. (“WP China GP”) is the general partner of WP China and Warburg Pincus XII, L.P. (“WP XII GP”) is the general partner of WP XII. WP Global LLC is the general partner of both WP China GP and WP XII GP. The managing member of WP Global LLC is Warburg Pincus Partners II, L.P. (“WPP II”). The general partner of WPP II is Warburg Pincus Partners GP LLC (“WPP GP”), the managing member of which is Warburg Pincus & Co.. Accordingly, each of AGTL, ALTL, AAGL, WP China, WP XII, WP China GP, WP XII GP, WP Global LLC, WPP II, WPP GP and Warburg Pincus & Co. are deemed to be interested in the underlying Shares held by AGHL and ALHL.

- 4 Mr. Shen is interested in 312,190,216 Shares (representing 7.35% of the total issued Shares), of which 331,427 Shares (representing 0.008% of the total issued share capital of the Company) he is personally interested in, and 311,858,789 Shares (representing 7.35% of the total issued Shares) he is interested in through Laurels, a company wholly-owned by The Shen Trust, whose trustee is Tricor Equity Trustee Limited, and the settlor of which is Rosy Fortune Limited, which is wholly-owned by Mr. Shen. Laurels is also interested in 7,799,856 Tier 1 Options, while Mr. Shen is interested in 192,000 Post-IPO Share Options and 622,193 existing Awards which as determined by the Board on 4 December will vest up to 100% into 622,193 underlying Shares if the Scheme is approved by the Scheme Shareholders at the Court Meeting.
- 5 Mr. Gibson and Mr. Portes are both interested in the 850,000 Shares (representing 0.02% of the total issued Shares) which are held by Redwood. In addition, Mr. Gibson is interested in 331,427 Shares (representing 0.008% of the total issued Shares), as well as 192,000 Post-IPO Share Options and 622,193 existing Awards which as determined by the Board on 4 December will vest up to 100% into 622,193 underlying Shares if the Scheme is approved by the Scheme Shareholders at the Court Meeting.
- 6 Morgan Stanley and Deutsche Bank are the co-lead financial advisers, and Goldman Sachs and UBS are joint financial advisers, to the Offeror in connection with the Proposal. Accordingly, Morgan Stanley, Deutsche Bank, Goldman Sachs, UBS and the relevant members of the Morgan Stanley group, the Deutsche Bank group, the Goldman Sachs group and the UBS group which respectively hold Shares on their own account or on a discretionary managed basis are presumed to be acting in concert with the Offeror in relation to the Company in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code (except in respect of Shares held by exempt principal traders or exempt fund managers). As at the Announcement Date, Goldman Sachs Asset Management Fund Services Limited, a company within the Goldman Sachs group, holds 653 Shares. Details of holdings, borrowings or lendings of, and dealings in, the Shares or derivatives in respect of them by other parts of the Morgan Stanley group, the Deutsche Bank group or the UBS group will be obtained as soon as possible after the Announcement Date and (if applicable) disclosed in accordance with Note 1 to Rule 3.5 of the Takeovers Code. Exempt principal traders which are connected for the sole reason that they are under the same control as Morgan Stanley, Deutsche Bank, Goldman Sachs or UBS are not presumed to be acting in concert with the Offeror. However, Shares held by members of the Morgan Stanley group, the Deutsche Bank group, the Goldman Sachs group or the UBS group acting in the capacity of exempt principal traders will not be voted at the Court Meeting and the EGM unless the Executive allows such Shares to be so voted. Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the EGM if (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions shall originate from the client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader).
- 7 JL Investment Group Limited, JL Investment Group II Limited and JL Electron (BVI) Limited each directly holds 101,984,984 Shares, 90,984,985 Shares and 34,889,518 Shares respectively, and all three companies are wholly-controlled by Mr. Lim, a non-executive Director. The Executive has granted a ruling for the rebuttal for the class (6) presumption of acting in concert between the Founders and Mr. Lim.
- 8 As at the Announcement Date, the Trustee holds on trust an aggregate of 352,613 Shares for the purpose of future satisfaction of the Awards. For the avoidance of doubt, the Trustee is not acting in concert with the Offeror and therefore the Shares held by the Trustee will count towards the number of Shares held by Disinterested Shareholders, which may be taken into account for the purposes of calculating the denominator for the 10% disapproval threshold when approving the Scheme. However, under Rule 17.05A of the Listing Rules, a trustee holding unvested shares of a share scheme shall abstain from voting on matters that require shareholders’ approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner’s direction and such a direction is given. Accordingly, the Trustee shall not exercise the voting rights attached to the Shares held by it. Such 352,613 Shares held by the Trustee will not be voted at the Court Meeting or the EGM notwithstanding that such Shares form part of the Scheme Shares.
- 9 Mr. Brett Harold Krause is an independent non-executive Director and holds 145,000 Shares. Mr. Brett Harold Krause is not acting in concert with the Offeror or any of the Consortium Members.
- 10 As at the Announcement Date, save for the Founders, Mr. Lim and Mr. Brett Harold Krause, none of the other Directors holds Shares.
- 11 On the assumption that (i) no outstanding Options and/or Awards are exercised on or before the Scheme Record Date, (ii) there is no change in shareholding of the Company before the Effective Date, the issued share capital of the Company will be maintained at the amount immediately prior to the cancellation of the Scheme Shares by the issue at par to the Offeror, credited as fully paid, of the same number of new Shares as is equal to the number of Scheme Shares cancelled

and extinguished. The reserve created in the books of account of the Company as a result of the cancellation and extinguishment of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror.

- 12 The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures.

## INFORMATION ON THE GROUP, THE OFFEROR AND THE CONSORTIUM

### Information on the Company and the Group

The Company is a limited liability company incorporated in the Cayman Islands, whose Shares are listed on the Main Board of the Stock Exchange. The Group is Asia-Pacific's leading new economy real asset manager and one of the largest listed real estate investment managers globally. The Group's fully integrated fund management and development platform extends across Australia and New Zealand, Japan, South Korea, Greater China, Southeast Asia, and India, and includes a presence in Europe. The Group provides investors with a diverse range of real asset investment and development solutions across private and public investment vehicles. The Group's focus on new economy real assets offers customers modern solutions for logistics, data centres, and infrastructure and renewables. The Group's purpose, space and investment solutions for a sustainable future, drives it to manage sustainably and impactfully for the communities where the Group operates and the spaces the Group develops to thrive for generations to come.

The table below sets out a summary of the audited consolidated financial results of the Group for each of the two years ended 31 December 2022 and 31 December 2023 and the unaudited consolidated financial results of the Group for the six months ended 30 June 2024, as extracted from the Company's financial reports for the corresponding financial periods:

	Year ended 31 December		Six months ended 30 June
	2022	2023	2024
		(Audited)	(Unaudited)
Revenue (US\$'000)	821,154	871,326	312,468
Gross profit (US\$'000)	791,926	811,530	285,274
(Loss)/Profit for the period (US\$'000)	631,109	268,056	(208,968)
(Loss)/Profit attributable to owners of the Company (US\$'000)	574,145	230,849	(218,719)
Basic (loss)/earnings per share (US\$)	0.13	0.05	(0.05)
Total assets (US\$'000)	16,199,374	16,191,075	15,859,054
Net assets (US\$'000)	9,140,314	8,728,754	8,090,256

### Information on the Offeror, the Consortium and the EquityCo Group

Each of the Offeror, HoldCo, MidCo and EquityCo is a company newly incorporated in the Cayman Islands with limited liability and an investment holding company set up solely for the purposes of implementing the Proposal. As at the Announcement Date, the Offeror is directly wholly-owned by HoldCo, which in turn is directly wholly-owned by MidCo, which is in turn directly wholly-owned by EquityCo. None of the Offeror, HoldCo, MidCo or EquityCo has carried on any business since incorporation other than matters in connection with the Proposal. None of the Offeror, HoldCo, MidCo or EquityCo intends to engage in any business other than acting as the holding company of the Company after completion of the Proposal. As at the Announcement Date, the Offeror, HoldCo, MidCo and EquityCo does not have any assets or liabilities other than the Offer Facility, expenses incurred in

connection with implementing the Proposal, and equity commitments from the Consortium Members. As at the Announcement Date, the directors of the Offeror, HoldCo, MidCo and EquityCo are Mr. David Matheson, Mr. Thomas Tolley, Mr. Jeffrey Perlman, Ms. Chloe Zhang, Mr. Jacob Liebschutz, Mr. Stuart Gibson, Mr. Jinchu Shen and Mr. Julian Salisbury. The Offeror and the Consortium Members are considered to be joint offerors under the Takeovers Code.

The final shareholding structure of EquityCo, the exact New Money Subscription Consideration of the New Money Consortium Members and the amount to be drawn down from the Offer Facility will be determined after the latest time for election of the Cash Alternative or the Share Alternative under the Proposal depending on the election of the Scheme Shareholders.

The table below sets out the shareholding structure of EquityCo (a) as at the Announcement Date, and (b) immediately following the implementation of the Proposal, assuming (i) the Rollover Consortium Members and Rollover IU Shareholders that have executed the Irrevocable Undertakings elect the Share Alternative for the cancellation of all of the Scheme Shares held or owned by them (but for OMERS, only in respect of 319,313,360 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it), (ii) all other Scheme Shareholders choose the Cash Alternative for the cancellation of all of the Scheme Shares held or owned by them (and OMERS elects the Cash Alternative for the cancellation of 136,848,583 IU Scheme Shares out of the 456,161,943 IU Scheme Shares held or owned by it), (iii) no outstanding Options or Awards are exercised and no further Shares are issued before the Scheme Record Date, and (iv) there is no other change in the issued share capital of the Company before completion of the Proposal:

	As at the Announcement Date		Immediately upon completion of the Proposal	
	Number of unpaid EquityCo Shares held	Approximate % of the total issued EquityCo Shares	Number of fully paid EquityCo Shares held	Approximate % of the total issued EquityCo Shares
The Starwood Entities	808,933,103	27.62%	808,933,103	23.43%
The SSW Entities	354,174,600	12.09%	354,174,600	10.26%
Sixth Street Entity	355,000,000	12.12%	355,000,000	10.28%
The WP Entities	903,440,160	30.85%	903,440,160	26.17%
Mr. Shen and Laurels	258,314,831	8.82%	258,314,831	7.48%
Redwood	850,000	0.03%	850,000	0.02%
Mr. Gibson (or an affiliate)	331,427	0.01%	331,427	0.01%
Qatar Holding	247,257,914	8.44%	247,257,914	7.16%
Rollover IU Shareholders	-	-	524,327,473	15.19%
<b>Total</b>	<b>2,928,302,035</b>	<b>100.00</b>	<b>3,452,629,508</b>	<b>100.00</b>

### *The Starwood Entities*

The Starwood Entities consist of Starwood and Starwood Electron Co-Invest L.P., a co-invest vehicle for Alpha Wave Ventures (“**Alpha Wave**”), which is managed and/or advised by Starwood Electron Co-Invest GP, L.L.C., an affiliate of Starwood. Starwood is a part of Starwood Capital Group, a private investment firm with a core focus on global real estate. Starwood Capital Group and its affiliates

maintain 16 offices in seven countries around the world, and currently have more than 5,000 employees. Since its inception in 1991, Starwood Capital Group has raised over US\$80 billion of capital and currently has approximately US\$115 billion of assets under management. Through a series of comingled opportunity funds and Starwood Real Estate Income Trust, Inc. (SREIT), a non-listed REIT, Starwood Capital Group has invested in virtually every category of real estate on a global basis, opportunistically shifting asset classes, geographies and positions in the capital stack as it perceives risk/reward dynamics to be evolving. Starwood Capital also manages Starwood Property Trust (NYSE: STWD), the largest commercial mortgage real estate investment trust in the United States, which has successfully deployed over US\$100 billion of capital since inception and manages a portfolio of over US\$26 billion across debt and equity investments. Over the past 33 years, Starwood Capital Group and its affiliates have successfully executed an investment strategy that involves building enterprises in both the private and public markets. As of the Announcement Date, Starwood is interested in 448,933,103 Shares (representing approximately 10.57% of the total issued Shares).

Alpha Wave is a global investment company with three main verticals: private equity, private credit, and public markets. It is led by Rick Gerson, Navroz Udwadia, and Ryan Khoury. Alpha Wave's flagship global private equity fund, Alpha Wave Ventures, aims to invest in best-in-class growth-stage companies and endeavours to be helpful long-term partners to the founders and management teams. Alpha Wave has offices in Miami, New York, London, Monaco, Madrid, Abu Dhabi, Tel Aviv, Bangalore, and Sydney.

### ***Sixth Street Entity***

Sixth Street Entity is an investment holding company incorporated by Sixth Street. Sixth Street is a global investment firm with over US\$80 billion in assets under management and committed capital. Sixth Street uses its long-term flexible capital, data-enabled capabilities, and One Team culture to develop themes and offer solutions to companies across all stages of growth. The firm's dedicated global real estate team partners with property managers and institutional investors to acquire, finance, and provide servicing expertise across the global real estate sector. Founded in 2009, Sixth Street has more than 650 team members including over 250 investment professionals operating around the world.

As of the Announcement Date, Sixth Street Entity is not interested in any Shares.

### ***The SSW Entities***

The SSW Entities are a part of SSW Partners, LP, a New York-based investment firm that invests in high-quality businesses and collaborates with partners to create enduring value for all stakeholders. It focuses on businesses that consistently invest in their products and people, have built their reputations based on the quality of the goods they produce or services they provide, who have demonstrated the capacity for innovation and constant improvement, and who prioritise the interests of all stakeholders, including employees, customers, owners and the communities in which the businesses operate. In 2022, SSW Partners, LP partnered with Qualcomm Incorporated to lead the successful privatisation of Veoneer, Inc., a Swedish provider of automotive technology, which it acquired for US\$4.6 billion in an all-cash transaction. As of the Announcement Date, the SSW Entities are interested in 213,174,600 Shares (representing approximately 5.02% of the total issued share capital of the Company).

### ***The WP Entities***

The WP Entities are investment holding entities controlled by different funds managed and advised by Warburg Pincus LLC or its affiliates, in which different passive economic investors hold economic interests. Warburg Pincus LLC is the pioneer of private equity global growth investing. A private partnership since 1966, the firm has the flexibility and experience to focus on helping investors and management teams achieve enduring success across market cycles. Today, the firm has more than \$86 billion in assets under management, and more than 230 companies in their active portfolio, diversified across stages, sectors, and geographies. Warburg Pincus has invested in more than 1,000 companies



across its private equity, real estate, and capital solutions strategies. As of the Announcement Date, the WP Entities are interested in 591,440,160 Shares (representing approximately 13.93% of the total issued share capital of the Company).

### ***The Founders***

Mr. Shen and Mr. Gibson are the Co-CEOs and executive Directors of the Company, and Mr. Portes is a non-executive Director. The Founders each founded a part of the business of the Group which then merged to form the Company. The Founders continued to lead the expansion of the business of the Group throughout APAC and the Shares became listed on the Main Board of the Stock Exchange on 1 November 2019. The Founders continue to play a crucial role in the continued growth of the Group. As of the Announcement Date:

- (a) Mr. Shen (including through his controlled entities) is interested in 312,190,216 Shares (representing approximately 7.35% of the total issued Shares), in 7,799,856 Tier 1 Options, 192,000 Post-IPO Share Options, and 622,193 Awards which as determined by the Board on 4 December 2024 can vest up to 100% into 622,193 underlying Shares if the Scheme is approved by the Scheme Shareholders at the Court Meeting;
- (b) Redwood II is interested in 850,000 Shares which are held by Redwood (representing approximately 0.02% of the total issued Shares); and
- (c) Mr. Gibson is also interested in 331,427 Shares (representing approximately 0.008% of the total issued Shares), 192,000 Post-IPO Share Options, and 622,193 Awards which as determined by the Board on 4 December 2024 can vest up to 100% into 622,193 underlying Shares if the Scheme is approved by the Scheme Shareholders at the Court Meeting.

### ***Qatar Holding***

Qatar Holding is a global investment holding company established in 2006, founded and wholly-owned by QIA. QIA was founded in 2005 to invest and manage the state reserve funds. QIA is among the largest and most active sovereign wealth funds globally. QIA invests across a wide range of asset classes and regions as well as in partnership with leading institutions around the world to build a global and diversified investment portfolio with a long-term perspective that can deliver sustainable returns and contribute to the prosperity of the State of Qatar. As of the Announcement Date, Qatar Holding is interested in 127,257,914 Shares (representing approximately 3.00% of the total issued Shares).

## **REASONS FOR AND BENEFITS OF THE PROPOSAL**

The Offeror is of the view that the Proposal is beneficial to the Company and the terms of the Proposal are attractive to the Scheme Shareholders in a number of ways:

### **Benefits of the Proposal to the Scheme Shareholders**

#### ***Holistic solution for Scheme Shareholders that provides full choice of cash and EquityCo Share mix***

The Proposal provides Scheme Shareholders a comprehensive solution with the rare opportunity to elect between: (i) the Cash Alternative which provides certain, near-term liquidity at a substantial premium to the closing price of the Shares as quoted on the Stock Exchange on the Pre-NBO Date, (ii) the Share Alternative which allows Scheme Shareholders to roll their Shares into EquityCo Shares and participate in the next phase of value creation alongside the Consortium or (iii) a mix of cash and EquityCo Shares in a proportion of their choosing. This is subject to the risks associated with holding EquityCo Shares as disclosed in the section headed “Terms of the Proposal – The Share Alternative” in this announcement and as described in the section headed “Offeror’s Intention in Relation to the Group” in this announcement, there is no assurance that any future strategic review of the business and operations

of the Group will result in any future transactions. Further, any transactions to be undertaken as a result of the strategic review will entail significant implementation risks, and may or may not lead to positive results for Scheme Shareholders who elect to accept the Share Alternative.

***Allows the Company to execute required strategic transition for the benefit of Scheme Shareholders who elect to roll some or all of their Shares***

In order to fully realise the Group's platform value in the long term, the Company must successfully transition to an asset-light platform, transform its strategy to re-focus on new economy sectors, simplify its current portfolio with non-core asset divestitures, realise cost synergies by fully integrating previous acquisitions, and optimise its balance sheet. While some of these initiatives are underway, the Offeror believes there remains significant time and effort required to progress and ultimately complete these initiatives.

Additional efforts may be required to attempt these transitions as a listed company, including obtaining shareholder approvals and managing public investor uncertainty and expectations in light of potential short-term earnings fluctuations caused by the above activities.

Elevated interest rates have substantially dampened transaction activities and impacted asset revaluations in Asia Pacific real estate markets, resulting in delays to planned exits and slower pace of capital recycling. As a result, investors for the fund management business are taking a wait and see approach which has led to slower development starts and consequently impacted transaction related fees. Furthermore, an important component of the Company's fund management business is promote fees, which are more volatile by nature and contribute to earnings fluctuations as a public company as illustrated by the Company's recent financial performance for the six months ended 30 June 2024. It is unclear when market conditions will begin to improve, and until then, the management team's decision making will continue to be constrained by public investor sentiment.

As such, the Offeror believes that the strategic transformation is best executed in a private setting where decision making and execution related to this transition would be more flexible, efficient and unconstrained by the Listing Rules.

***Certain, near-term liquidity at a substantial premium for Scheme Shareholders who elect to receive some or all of their Cancellation Consideration in the form of the Cash Alternative***

The Proposal provides a certain exit at a substantial premium to the closing price per Share as quoted on the Stock Exchange on the Pre-NBO Date. The Cancellation Price represents an Enterprise Value to Last-twelve-month EBITDA (as of 30 June 2024) multiple of 31.5 times. As set out in the section headed "Terms of the Proposal – The Cash Alternative" of this announcement, the Cancellation Price represents a significant premium of:

- 55.7% to the Company's closing price per Share as quoted on the Stock Exchange on the Pre-NBO Date;
- 54.0% and 40.8% over the average closing price of approximately HK\$8.44 and HK\$9.23 per share for the 30 and 60 trading days up to and including the Pre-NBO Date, respectively; and
- 199.1% to the Company's unaudited consolidated Net Tangible Asset Value per Share (being HK\$4.35) as at 30 June 2024.

***Unique opportunity for Shareholders to fully monetize investment with limited liquidity***

Since the Company's initial public offering in November 2019, there has been minimal trading liquidity in the Shares. The average daily trading volume of the Shares between the Company's initial public offering and the Pre-NBO Date was 5.34 million Shares per day, which is approximately 0.13% of the

total number of issued Shares. The illiquidity issue of the Company has worsened since the announcement of the ARA Transaction, with the average daily trading volume of the Shares declining to 4.63 million Shares per day, which is approximately 0.11% of the total number of issued Shares.

Consequently, it would be challenging for Shareholders to execute substantial on-market disposals without further adversely affecting the share price. The Scheme presents a rare solution for Shareholders who elect to receive some or all of their Cancellation Consideration in cash, which provides immediate and full liquidity at a substantial premium to the closing price of the Shares as quoted on the Stock Exchange on the Pre-NBO Date.

***No alternative offer has been received***

Since the date of receipt of the NBO, the Company has not received any alternative offer which would have required disclosure under the Takeovers Code.

***Low likelihood of an alternative offer***

The Offeror and the Offeror Concert Parties together hold 39.91% of the Company and are therefore vested in the Company's success. Accordingly, the lead members of the Consortium explored a range of value-enhancing alternatives prior to putting forth a proposal to privatise the Company. In the course of exploring alternatives and the Proposal, the Offeror consulted several potential commercial and capital partners; however, there was no interest in such alternative proposals.

The members of the Consortium who are existing Shareholders were unanimously supportive of the Independent Board Committee conducting its own independent evaluation of strategic alternatives available to the Company with the assistance of a financial adviser which was appointed promptly following receipt of the Offeror's indicative NBO. No other proposals have been publicly announced.

Furthermore, as the Offeror and the Offeror Concert Parties collectively hold 39.91% of the total issued and outstanding share capital of the Company as at the Announcement Date, any third-party proposal from this date forward would need the support of the Offeror to privatise the Company.

Therefore, the Offeror is of the view that it is unlikely that minority Shareholders will receive an alternative proposal to the Offer to realise value in their investments in the Company.

**Benefits of the Proposal to the Company**

***Eliminate public market pressures specific to the Company's current listing***

The Offeror is of the view that several factors related to the Company being publicly listed in Hong Kong have contributed to the decline in the Company's share price performance relative to its peers:

- Negative sentiment from global investors reducing exposure to the PRC and Hong Kong given geopolitical concerns;
- Pressure from investors short selling Shares as a proxy to bet against the Chinese residential real estate market;
- The Company being removed from the MSCI Hong Kong Index, leading to a reduction in passive investment volume;
- Market concerns regarding the execution of the ARA Transaction, including the challenges of managing a complex merger integration in the public domain and against a weaker macro-economic and capital markets backdrop;

- Shareholder overhang from legacy ARA shareholders; and
- Limited liquidity in Shares, which are closely held by several long-term investors. This has prevented Shareholders from executing substantial on-market disposals without adversely affecting the share price and incurring additional costs.

### ***Maintain a prudent and effective governance structure post-privatisation***

A robust corporate governance framework will be put in place by the Offeror post-privatisation. An independent chairperson will be nominated, and his/her removal or replacement will be approved by a majority of the EquityCo Board. The EquityCo Board will be constituted in accordance with the provisions set out in the section headed “The Shareholder Arrangements – Composition of the EquityCo Board” of this announcement, ensuring a diverse EquityCo Board comprised of representatives of key shareholders. Subject to (i) certain 5% Matters and (ii) the Special Board Matters, the EquityCo Board will be responsible for the overall direction, supervision and management of the EquityCo Group post-privatisation. Decisions of the EquityCo Board will be decided by a simple majority, subject to certain decisions which will require approval as a Special Board Matter, such as disposals or acquisitions beyond a certain monetary threshold, adoption or material amendments to dividend policies, material deviations from business plan, non-qualified initial public offerings, ensuring a strong system of accountability and oversight, with no single EquityCo Shareholder able to control the EquityCo Board and thereby the strategic direction of the Group following the privatisation.

### ***Opportunity to transform the shareholder register to a credible investor base with strong track record and relevant expertise***

The Proposal has the benefit of effectively transforming the Company’s shareholder register to include highly experienced investors who will be able to draw on their sector and capital markets expertise to help the Company undertake its strategic transformation and provide long-term capital to weather near-term macro-economic challenges. The Offeror’s existing relationships and access to global capital providers with an extensive track record building and growing alternative asset management platforms will further accelerate the Company’s AUM growth and fund management capabilities.

For existing Shareholders who share the same investment horizon as the Offeror and wish to partake in the Company’s transformation, the Share Alternative is available to all Shareholders to participate in the future upside.

### ***Support talent retention and commercial growth***

As a private company, the Company will be able to alleviate any adverse impact that its share price performance has on employee morale and retention by resetting underwater options. The Offeror will implement new incentive plans to retain and motivate key management and employees and align with the long-term growth objectives of the Group.

Similarly, as a private company, the Company will alleviate limited partner and customer concerns affiliated with stock price performance and uncertainty, which may impact their decisions to commit capital or sign leases with the Company.

## **THE OFFEROR’S INTENTIONS IN RELATION TO THE GROUP**

The Offeror intends for the Group to maintain its existing core business following the implementation of the Proposal. As at the Announcement Date, the Offeror intends to continue implementing the strategy approved by the current Board to sell down and exit non-core assets, including the Group’s non-strategic subscale platforms, reduce on-balance sheet exposure to the PRC, and expand new economy real asset sectors, including data centres, infrastructures and renewables, but has no immediate plans, in the event the Scheme becomes effective, to make any other material changes to the business

and/or disposal or redeployment of assets of the Group, or to make any significant changes to the employment of employees of the Group as a result of the implementation of the Proposal.

After the Scheme becomes effective, the Offeror, with the new director representatives from the Consortium, will conduct a review of the business and operations of the Group in order to formulate and refine a long-term strategy for the Group. The Offeror may explore business, investment or capital raising opportunities and consider whether any further asset disposals, asset acquisitions, business divestment, restructuring and/or diversification will be appropriate for deleveraging the Group's business, becoming a market leader in new economy areas, diversifying the Group's network of capital partners, and enhancing its future development. Any disposal or redeployment of assets or businesses of the Group in the future, if any, will be conducted in compliance with the constitutional documents of the Group and (if applicable) the Takeovers Code. In addition, there is no guarantee that such actions, if any, will yield successful outcomes for the Group or its shareholders.

EquityCo also intends to adopt a new employee incentive scheme (which excludes the Shen Options) upon the Scheme becoming effective for the purpose of incentivizing employees of the Group by giving them direct economic interest in the Group so that they will be incentivized to continue to contribute to the development of the Group. The new employee incentive scheme (which excludes the Shen Options) is expected to have a pool size representing approximately 4% of the economic interest in the EquityCo Group, and employees, directors, advisers and consultants of the Group are expected to be eligible participants to the new employee incentive scheme. Any grants to be made under such new employee incentive scheme will be conducted in compliance with the constitutional documents of the Group and (if applicable) the Takeovers Code.

## **OTHER ARRANGEMENTS**

The Offeror and the Offeror Concert Parties confirm that, as at the Announcement Date:

- (a) save as disclosed in the section headed "Shareholding Structure of the Company" in this announcement and subject to the holdings of relevant members of the Morgan Stanley group, the Deutsche Bank group, or the UBS group presumed to be acting in concert with the Offeror (if any), none of the Offeror or the Offeror Concert Parties holds any Shares, or any convertible securities, warrants or options in respect of the Shares;
- (b) neither the Offeror nor any Offeror Concert Party has entered into any outstanding derivative in respect of securities in the Company;
- (c) save as set out below and save for any dealings of relevant members of the Morgan Stanley group, the Deutsche Bank group, or the UBS group presumed to be acting in concert with the Offeror, none of the Offeror and the Offeror Concert Parties has dealt for value in any Shares or any options, convertible securities, warrants, options or derivatives in respect of the Shares, in the six-month period immediately preceding the date of the 3.7 Announcement and up to and including the Announcement Date:
  - (i) On 20 March 2024, Starwood entered into an investment agreement with Mr. Gibson, Mr. Portes and their controlled entity Redwood Investment Company, Ltd, pursuant to which Starwood agreed to acquire all of the 448,933,103 Shares (representing approximately 10.57% of the total issued Shares as at the Announcement Date) in which Redwood was interested at HK\$7.76 per Share (being the closing price per Share on 19 March 2024), in exchange for all of the outstanding sums under an existing margin loan facility of Redwood Investor (Cayman) Ltd. ("RWI") (as borrower) being fully repaid and all of RWI's financing obligations under such existing margin loan facility being fully extinguished. The sale and purchase of such 448,933,103 Shares completed on 5 April 2024, and Starwood became (and as at the Announcement Date,

remained) interested in the 448,933,103 Shares (representing approximately 10.57% of the total issued Shares); and

- (ii) The table below shows the dealings for value by members of the Goldman Sachs group who are presumed to be acting in concert with the Offeror in the six-month period immediately preceding the date of the 3.7 Announcement and up to and including the Announcement Date:

Date of transaction	Buy or sell	Number of Shares involved	Price for each Share (HK\$)
26 January 2024	Buy	200	10.20
2 February 2024	Buy	5,600	9.88
4 June 2024	Sell	5,800	11.71

- (d) subject to the borrowing and lending of relevant members of the Morgan Stanley group, the Deutsche Bank group, the Goldman Sachs group or the UBS group presumed to be acting in concert with Offeror (if any), neither the Offeror nor any Offeror Concert Party has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (e) save for the Proposal, the Exclusivity and Standstill Arrangements, the Subscription and Rollover Arrangement, the Shareholder Arrangements, the Irrevocable Undertakings, there are no arrangements (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 which might be material to the Proposal;
- (f) save for the Implementation Agreement, the Subscription and Rollover Arrangement, the Irrevocable Undertakings, there are no agreements or arrangements to which the Offeror or an Offeror Concert Party is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Pre-Condition or a Condition to the Proposal;
- (g) save for the Subscription and Rollover Arrangement and the Irrevocable Undertakings, no irrevocable commitment to vote for or against the Scheme or any part of the Proposal, or to accept or not accept the Option Offers or the Award Proposal, has been received by the Offeror or the Offeror Concert Parties;
- (h) save for the Cancellation Consideration, the Option Offer Price, the Award Proposal Price, the Offeror or the Offeror Concert Parties have not paid and will not pay any other consideration, compensation or benefit in whatever form to the Scheme Shareholders or any person acting in concert with them in connection with the cancellation of the Scheme Shares, the Options or the Awards (as applicable); and
- (i) save for the Implementation Agreement, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) the Offeror or the Offeror Concert Parties or (ii) the Company, its subsidiaries or associated companies on the one hand, and any Shareholder on the other hand.

## INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

### Independent Board Committee

The Independent Board Committee, which comprises Mr. Brett Harold Krause, Mr. Simon James McDonald, and Ms. Serene Siew Noi Nah, being all of the non-executive Directors who are not Offeror

Concert Parties or who are not (or whose appointing Shareholders are not) IU Shareholders, has been established by the Board following the receipt of the NBO.

Mr. Perlman and Mr. Portes, who are also non-executive Directors of the Company, are Offeror Concert Parties and are considered to be interested in the Proposal and do not form part of the Independent Board Committee for the purpose of giving advice or recommendation to the Disinterested Shareholders, the Option-holders and the Award-holders (as the case may be). Mr. Hwee Chiang Lim was initially a member of the Independent Board Committee but has subsequently become an IU Shareholder and, as a result, is no longer a member of the Independent Board Committee. Mr. Rajeev Veeravalli Kannan and Ms. Joanne Sarah McNamara were initially also members of the Independent Board Committee but their respective appointing Shareholders have subsequently become IU Shareholders and, as a result, Mr. Kannan and Ms. McNamara are no longer members of the Independent Board Committee.

Since its establishment, the Independent Board Committee has appointed Citigroup Global Markets Asia Limited as the Company's financial adviser to review the NBO and consider other strategic alternatives available to the Company. The Independent Board Committee has also adopted a formal process for a transaction involving the Shares which includes a staged due diligence review by potential investors (including the Consortium) and the solicitations of improved offers from the Consortium, in each case with the ultimate objective of soliciting the best and final offer for the Proposal from the Consortium for Disinterested Shareholders to vote on. Since its initial indicative proposal on 13 May 2024, the Consortium has provided a further improved offer on 4 October 2024 and a further and final improved offer on 4 November 2024.

In accordance with the Takeovers Code, the Independent Board Committee will consider and make a recommendation in the Scheme Document: (a) to the Disinterested Shareholders as to whether the Proposal is, or is not, fair and reasonable and as to voting in respect of the Scheme at the Court Meeting and the Proposal at the EGM; and (b) to the Option-holders and the Award-holders as to whether the terms of the Option Offers and the Award Proposal are, or are not, fair and reasonable and whether to accept the Option Offers.

### **Independent Financial Adviser**

The Independent Financial Adviser will be appointed by the Board with the approval of the Independent Board Committee in due course to advise the Independent Board Committee on the Proposal pursuant to Rule 2.1 of the Takeovers Code. A further announcement will be made after the appointment of the Independent Financial Adviser.

### **WITHDRAWAL OF LISTING OF THE SHARES**

Upon the Scheme becoming effective, all of the Scheme Shares will be cancelled (with the equivalent number of new Shares being issued as fully paid to the Offeror) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title.

The Company will make an application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect immediately after the Effective Date. The Scheme Shareholders will be notified by way of a public announcement of the exact dates of the last day of dealing in the Shares and on which the Scheme and the withdrawal of the listing of the Shares will become effective. A detailed timetable will be set out in the Scheme Document, which will also contain, among other things, further details of the Scheme.

The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme is not approved or does not become effective. If the Scheme is withdrawn or not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any

person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

## **COSTS OF THE SCHEME**

Pursuant to Rule 2.3 of the Takeovers Code, if the Scheme is not approved and the Proposal is either not recommended by the Independent Board Committee, or is not recommended as fair and reasonable by the Independent Financial Adviser, all costs and expenses incurred by the Company and the Offeror in connection with the Scheme will be borne by the Offeror.

## **DESPATCH OF THE SCHEME DOCUMENT**

Subject to satisfaction or a valid waiver (as applicable) of the Pre-Conditions, the Company will send to the Shareholders a Scheme Document containing, among other things, further details about the Proposal, a letter from the Board, a letter of advice from the Independent Financial Adviser, the recommendations of the Independent Board Committee and notices to convene the Court Meeting and the EGM together with forms of proxy in relation thereto, as soon as practicable in accordance with the Takeovers Code, the orders of the Court, the Companies Act, and any other Applicable Laws.

The Scheme Document will contain important information and the Scheme Shareholders, the Option-holders and the Award-holders should read the Scheme Document containing such disclosures carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting and/or the EGM or accepting the Option Offers (as the case may be). Any voting, acceptance or other response to the Proposal should be made on the basis of information in the Scheme Document or any other document by which the Proposal is made.

## **SCHEME SHARES, THE COURT MEETING AND THE EGM**

As at the Announcement Date, the Offeror does not hold any Shares. As the Offeror is not a Scheme Shareholder, the Offeror will not vote on the Scheme at the Court Meeting. The Offeror will undertake to the Court that it will be bound by the Scheme, so as to ensure that it will be subject to the terms and conditions of the Scheme.

As at the Announcement Date, the Offeror Concert Parties hold directly or indirectly in aggregate 1,694,178,073 Shares, representing approximately 39.91% of the total number of issued Shares. Such Shares held by the Offeror Concert Parties will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective. The Offeror Concert Parties (including the Rollover Consortium Members) will, and will undertake to the Court to, abstain from voting on the Scheme at the Court Meeting with respect to Conditions (a) and (b) only. As such, as at the Announcement Date, all other Scheme Shareholders are Disinterested Shareholders, and the Scheme Shares held by such Scheme Shareholders are entitled to be voted on the Scheme at the Court Meeting.

All Shareholders will be entitled to attend the EGM to vote on the special resolution to (i) approve and give effect to any reduction of the issued share capital of the Company by the cancellation of the Scheme Shares; (ii) approve the simultaneous maintenance of the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme, credited as fully paid, for issuance to the Offeror; and (iii) authorize any one of the Directors to do all acts and things considered by him or her to be necessary or desirable in connection with the implementation of the Scheme and to apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange upon the Scheme becoming effective. The Rollover IU Shareholders and the Offeror Concert Parties (including the Rollover Consortium Members) have indicated that, if



the Scheme is approved at the Court Meeting, they will vote in favour of the resolution(s) to be proposed at the EGM.

For the avoidance of doubt, as noted in the section headed “Shareholding Structure of the Company” in this announcement, Shares held by members of the Morgan Stanley group, the Deutsche Bank group, the Goldman Sachs group or the UBS group acting in the capacity of exempt principal traders will not be voted at the Court Meeting and the EGM unless the Executive allows such Shares to be so voted. Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the EGM if (i) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (ii) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions shall originate from the client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader). In addition, as noted in the section headed “Shareholding Structure of the Company” in this announcement, pursuant to Rule 17.05A of the Listing Rules, the Trustee shall not exercise the voting rights attached to the Shares held by it, and accordingly, the 352,613 Shares held by the Trustee will not be voted at the Court Meeting or the EGM notwithstanding that such Shares form part of the Scheme Shares.

#### **OVERSEAS SCHEME SHAREHOLDERS, OPTION-HOLDERS AND AWARD-HOLDERS**

The making of the Proposal to, and acceptance of the Scheme by Scheme Shareholders, the Option Offers to Option-holders, and the Award Proposal to Award-holders who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders, Option-holders, and Award-holders are located.

The Share Alternative, and the receipt of EquityCo Shares, are subject to the laws and regulations of the jurisdiction in which the Scheme Shareholders are subject. Scheme Shareholders wishing to elect the Share Alternative and receive EquityCo Shares should be aware of the laws and regulations of their jurisdiction and ensure that they are able to elect the Share Alternative and receive EquityCo Shares. Additionally, EquityCo Shares will not be registered under any securities laws in any jurisdiction (including Hong Kong or overseas) and may only be issued to persons resident in a jurisdiction pursuant to an exemption from the requirements of the securities laws or regulations of that jurisdiction. In particular:

- (a) Scheme Shareholders who are interested in the Scheme Shares through the Stock Connect may not be eligible to elect the Share Alternative pursuant to Article 24 of the Implementation Rules for Registration, Depository and Clearing Services under the Mainland-Hong Kong Stock Markets Connect Programme (《內地與香港股票市場交易互聯互通機制登記、存管、結算業務實施細則》); as at the Announcement Date, these investors represent approximately 0.48% of the issued share capital of the Company; and
- (b) Scheme Shareholders in jurisdictions where (i) the laws or regulations of that jurisdiction restrict the Offeror or EquityCo from distributing, or the Scheme Shareholders from accepting, the EquityCo Shares under the Share Alternative; or (ii) doing so would expose the Offeror, EquityCo, or the Scheme Shareholders to significant civil, regulatory or criminal risk, and the Offeror considers the exclusion of that jurisdiction to be necessary or expedient on account of these legal restrictions or risks, may not be eligible to elect the Share Alternative.

Scheme Shareholders, Option-holders, and Award-holders should inform themselves about and observe any applicable legal, tax or regulatory requirements of their own jurisdictions. It is the responsibility of any overseas Scheme Shareholders, Option-holders, and Award-holders wishing to accept the Proposal, Option Offers and/or Award Proposal to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange

control or other consents, or filing and registration requirements which may be required, or the compliance with other necessary formalities and the payment of any taxes, duties and other amounts required to be paid by the Scheme Shareholders in such jurisdictions. Any acceptance by such Scheme Shareholders, Option-holders, and Award-holders will be deemed to constitute a representation and warranty from such persons to the Company, the Offeror and their respective advisers that those local laws and regulatory requirements applicable to the overseas Scheme Shareholders, Option-holders, and Award-holders have been complied with. If you are in doubt as to your position, you should consult your professional advisers. None of the Offeror, EquityCo, the Company or any of their respective directors, officers, associates, advisers or any other person involved in the Proposal accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Scheme, Option Offers or Award Proposal.

In the event that the receipt of the Scheme Document by overseas Shareholders or overseas Option-holders and Award-holders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the Company regards as unduly onerous or burdensome (or otherwise not in the best interests of the Company), the Scheme Document may not be despatched to such overseas Shareholders, Option-holders or Award-holders. For that purpose, the Company will apply for any waiver(s) as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Further information on this will be provided in the Scheme Document.

## **TAXATION ADVICE**

Scheme Shareholders, Option-holders, and Award-holders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Proposal. It is emphasised that none of the Offeror, the Company, Morgan Stanley, Deutsche Bank, Goldman Sachs, UBS or any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal.

## **DISCLOSURE OF DEALINGS**

Respective associates (as defined under the Takeovers Code) of the Offeror, the Consortium and the Company (including Shareholders holding 5% or more of any class of relevant securities issued by the Company) are reminded to disclose their dealings in the securities of the Company.

Save as disclosed in paragraph (c)(i) in the section headed “Other Arrangements” in this announcement, and save for dealings in the Shares by Morgan Stanley, Deutsche Bank, Goldman Sachs or UBS which are conducted on a non-discretionary basis for and on behalf of its clients, none of the Offeror, the Consortium and the Offeror Concert Parties had any dealings for value in the Shares during the period commencing six months prior to the date of the 3.7 Announcement and up to and including the Announcement Date.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 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 HK\$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. Therefore, those who deal in relevant securities should 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.”*

## **PRECAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS**

This announcement includes certain “forward-looking statements”. These statements are based on the current expectations of the management of the Offeror, the Consortium and/or the Company (as the case may be) and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained in this Announcement include statements about the expected effects on the Company of the Proposal, the expected timing and scope of the Proposal, and all other statements in this announcement other than historical facts.

Forward-looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates”, “envisages” and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the Pre-Conditions and Conditions to the Proposal, as well as additional factors, such as general, social, economic and political conditions in the countries in which the Offeror, the Consortium and/or the Group operate or other countries which have an impact on the Offeror, the Consortium and/or the Group’s business activities or investments, interest rates, the monetary and interest rate policies of the countries in which the Offeror, the Consortium and/or the Group operate, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries in which the Offeror, the Consortium and/or Group operate and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries in which the Offeror, the Consortium and/or Group operate and regional or general changes in asset valuations and disruptions or reductions in operations due to natural or man-made disasters, pandemics, epidemics, or outbreaks of infectious or contagious diseases such as the novel coronavirus. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

All written and oral forward-looking statements attributable to the Offeror, the Consortium, the Company or persons acting on behalf of any of them are expressly qualified in their entirety by the cautionary statements above. The forward-looking statements included herein are made only as of the Announcement Date.

Any forward-looking statement contained in this announcement based on past or current trends and/or activities of the relevant company should not be taken as a representation that such trends or activities will continue in the future. No statement in this announcement is intended to be a profit forecast or to imply that the earnings of the relevant company for the current year or future years will necessarily match or exceed its historical or published earnings. Each forward-looking statement speaks only as at the date of the particular statement. Subject to the requirements of the Takeovers Code and other Applicable Laws, each of the Offeror, the Consortium and the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in their expectations with regard thereto or any change in events, conditions of circumstances on which any such statement is based.

## TRADING HALT AND RESUMPTION OF TRADING OF THE COMPANY

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 29 November 2024 pending the issue of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 5 December 2024.

## DEFINITIONS

In this announcement, the following expressions have the meaning set out below unless the context requires otherwise:

- |                           |   |
|---------------------------|---|
| <b>“3.7 Announcement”</b> | the announcement published by the Company on 13 May 2024 pursuant to Rule 3.7 of the Takeovers Code in relation to, among other things, the Proposal  |
| <b>“5% Matter(s)”</b>     | <p>reserved matters which require the approval of each EquityCo Shareholder holding more than 5% of the EquityCo Shares on a fully diluted basis, such matters as are set out in the memorandum and articles of association of EquityCo which are available on ConsortiumProposalAnnouncements.com, namely:</p> <ul style="list-style-type: none"><li>(a) any change of rights, preferences or privileges attached to shares or amendment to constitutional documents, in each case of EquityCo that materially, disproportionately and adversely affects an EquityCo Shareholder whose shareholding in EquityCo is at least 5% (in its capacity as a shareholder of EquityCo and not in its capacity as a shareholder of another member of EquityCo Group) differently from any of the Consortium Members;</li><li>(b) voluntary winding up, liquidation, dissolution of, or entering into a restructuring plan with any creditor with respect to, or commencing any winding up proceeding or any similar insolvency/bankruptcy proceeding, in each case with respect to EquityCo or its material subsidiaries;</li><li>(c) declaration or payment of dividends or other distributions in EquityCo which is not in cash or not on a pro rata basis;</li><li>(d) declaration or payment of dividends or other distributions in (1) a material subsidiary (a) on a non-pro rata basis and (b) where the shareholder(s) of such material subsidiary which is not an EquityCo Group member will in aggregate receive more than its pro rata share of the total distributable profits of such distribution or (2) any subsidiary on a non-pro rata basis to a related party, in each case other than where it is pursuant to (i) existing shareholder or promote arrangements in respect of such subsidiary or (ii) the establishment of any promote or upside sharing (or equivalent) arrangements with any new founders of any of the Company’s businesses;</li><li>(e) make a fundamental change to the nature of the business of EquityCo Group (provided that listing the EquityCo Group’s</li></ul> |

	fund management business or another subsidiary as a separate entity shall not constitute a fundamental change);
	(f) enter into, terminate, renew, waive rights under, or amend a related party transaction that is not on arms' length terms;
	(g) create, allot, issue, redeem or repurchase any share, bond, loan capital or other security or grant any option over, or any other right in respect of, any share, bond, loan capital or other security of EquityCo, other than under specific pre-emption procedures or exclusions; and
	(h) agree, or announce an intention, to do any of the foregoing.
<b>“acting in concert”</b>	has the meaning given to it under the Takeovers Code and “concert party” or “concert parties” shall be construed accordingly
<b>“Announcement Date”</b>	4 December 2024, being the date of this announcement
<b>“APAC”</b>	Asia-Pacific region
<b>“APG”</b>	Stichting Depositary APG Strategic Real Estate Pool as depositary of APG Strategic Real Estate Pool, a private foundation incorporated in the Netherlands
<b>“Applicable Laws”</b>	with respect to any person, any laws, rules, regulations, guidelines, directives, treaties, judgments, decrees, orders or notices of any Governmental Authority that is applicable to such person (including the Takeovers Code and the Listing Rules)
<b>“ARA”</b>	ESR Asset Management Limited (formerly known as ARA Asset Management Limited), an exempted company incorporated under the laws of Bermuda, and its subsidiaries
<b>“ARA Transaction”</b>	the acquisition of ARA by the Group which was announced by the Company on 4 August 2021 and completed on 20 January 2022
<b>“associates”</b>	has the meaning given to it under the Takeovers Code
<b>“AUM”</b>	assets under management including the reported assets under management of the Group's associates and assuming the value of uncalled capital commitments in the private funds and investment vehicles on a levered basis
<b>“Authorisations”</b>	any license, permit, consent, authorisation, permission, clearance or approval of any Governmental Authority or any other person
<b>“Award(s)”</b>	the award(s) of performance share unit(s) and restricted share unit(s) granted under the Long Term Incentive Scheme
<b>“Award Proposal”</b>	the proposal to be made by or on behalf of the Offeror to the Award-holders (including Mr. Shen and Mr. Gibson) for the cancellation of all outstanding Awards in accordance with the Takeovers Code and the terms set out in this announcement

<b>“Award Proposal Price”</b>	the consideration for cancellation of each outstanding Award under the Award Proposal, being the Cancellation Price
<b>“Award-holder(s)”</b>	the grantee(s) of the Awards
<b>“Board”</b>	the board of directors of the Company from time to time
<b>“Bordering Country”</b>	a country which shares a land border with India
<b>“Cancellation Consideration”</b>	the Cash Alternative or the Share Alternative
<b>“Cancellation Price”</b>	the cancellation price of HK\$13.00 per Scheme Share
<b>“Cash Alternative”</b>	the cash consideration alternative under the Proposal, being the Cancellation Price of HK\$13.00 for every Scheme Share
<b>“CCASS”</b>	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
<b>“Companies Act”</b>	the Companies Act (2023 Revision) of the Cayman Islands, as consolidated and revised from time to time
<b>“Company”</b>	ESR Group Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 1821)
<b>“Condition(s)”</b>	the condition(s) of the Proposal, details of which are set out in the section headed “Terms of the Proposal – Conditions of the Proposal and the Scheme” in this announcement
<b>“Conditions Long Stop Date”</b>	12 months from the Announcement Date, being 4 December 2025 (or such later date as may be mutually agreed in writing between the Offeror and the Company or, to the extent applicable, as the Executive may consent to and/or the Court may direct)
<b>“Consortium”</b>	the consortium formed by the Starwood Entities, the SSW Entities, Sixth Street Entity, the WP Entities, the Founders, Qatar Holding, and their respective controlled entities
<b>“Consortium Members”</b>	members of the Consortium
<b>“Court”</b>	the Grand Court of the Cayman Islands
<b>“Court Meeting”</b>	a meeting of the Scheme Shareholders to be convened at the direction of the Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
<b>“Deutsche Bank”</b>	Deutsche Bank AG, Hong Kong Branch, a registered institution under the SFO to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), and type 9 (asset management) regulated activities under the SFO, being one of the co-lead financial advisers to the Offeror in connection with the Proposal
<b>“Director(s)”</b>	the director(s) of the Company

<b>“Disinterested Shareholder(s)”</b>	the Shareholder(s) other than the Offeror and the Offeror Concert Parties, but including any member of the Morgan Stanley group, the Deutsche Bank group, the Goldman Sachs group or the UBS group acting in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code. For the avoidance of doubt, Disinterested Shareholders include the Trustee, provided that the Trustee shall not exercise the voting rights attached to the Shares held by it														
<b>“Effective Date”</b>	the date on which the Scheme becomes effective in accordance with the Companies Act														
<b>“EGM”</b>	an extraordinary general meeting of the Company to be convened and held in accordance with the articles of association of the Company to consider and vote on, among other things, the necessary resolutions for the implementation of the Proposal, or any adjournment thereof														
<b>“Enterprise Value”</b>	US\$13,418 million, being the sum of equity value at the Cancellation Price and the bank and other borrowings including those for assets held for sale, perpetual securities, non-controlling interest, net of cash and equivalents each determined based on Company’s Statement of Financial Position as of 30 June 2024. The table below sets out the detailed calculation of the Enterprise Value.														
<table> <tr> <th><b>Equity Value to Enterprise Value Bridge</b></th><th><b>US\$ million</b></th></tr> <tr> <td>Equity Value<sup>(1)</sup></td><td>7,076</td></tr> <tr> <td>(+) Bank and Other Borrowings (Incl’d Those of Assets Held for Sale<sup>(2)</sup>)</td><td>6,356</td></tr> <tr> <td>(+) Perpetual Securities</td><td>743</td></tr> <tr> <td>(+) Non-controlling Interest</td><td>326</td></tr> <tr> <td>(+) Cash and Cash Equivalents (Incl’d Those of Assets Held for Sale<sup>(3)</sup>)</td><td>(1,129)</td></tr> <tr> <td><b>Enterprise Value</b></td><td><b><u>13,372</u></b></td></tr> </table>		<b>Equity Value to Enterprise Value Bridge</b>	<b>US\$ million</b>	Equity Value <sup>(1)</sup>	7,076	(+) Bank and Other Borrowings (Incl’d Those of Assets Held for Sale <sup>(2)</sup> )	6,356	(+) Perpetual Securities	743	(+) Non-controlling Interest	326	(+) Cash and Cash Equivalents (Incl’d Those of Assets Held for Sale <sup>(3)</sup> )	(1,129)	<b>Enterprise Value</b>	<b><u>13,372</u></b>
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<b>Enterprise Value</b>	<b><u>13,372</u></b>														
<sup>(1)</sup> Exchange rate of US dollar to Hong Kong dollar of 7.80.															
<sup>(2)</sup> Bank and other borrowings under assets held for sale of US\$165 million based on Company’s Statement of Financial Position as of 30 June 2024.															
<sup>(3)</sup> Cash and equivalents under assets held for sale of US\$65 million based on Company’s Statement of Financial Position as of 30 June 2024.															
<b>“EquityCo”</b>	MEGA EquityCo, an exempted company incorporated in the Cayman Islands with limited liability, whose shareholding as at the Announcement Date is detailed in the section headed “Information on the Group, the Offeror and the Consortium – Information on the Offeror, the Consortium and the EquityCo Group” in this announcement														
<b>“EquityCo Board”</b>	the board of directors of EquityCo														
<b>“EquityCo Group”</b>	EquityCo and its subsidiaries (including the Offeror) from time to time														
<b>“EquityCo Share(s)”</b>	ordinary share(s) of US\$0.001 each in the share capital of EquityCo														

<b>“EquityCo Shareholder”</b>	a shareholder of EquityCo
<b>“Exclusivity and Standstill Arrangements”</b>	the exclusivity and standstill arrangements entered into between the relevant Consortium Members, the details of which are set out in the section headed “Arrangements Material to the Proposal – The Exclusivity and Standstill Arrangements” in this announcement
<b>“Executive”</b>	the Executive Director of the Corporate Finance Division of the SFC or any delegate for the time being of the Executive Director
<b>“FIRB”</b>	the Australian Foreign Investment Review Board
<b>“Founder Parties”</b>	Founders, Laurels, Redwood and Redwood II
<b>“Founders”</b>	Mr. Shen, Mr. Gibson and Mr. Portes
<b>“FSMA”</b>	the United Kingdom Financial Services and Markets Act 2000 (as amended and supplemented from time to time)
<b>“Goldman Sachs”</b>	Goldman Sachs (Asia) L.L.C., a company incorporated in Delaware with limited liability and licensed under the SFO to carry out type 1 (dealing in securities), type 4 (advising on securities), type 5 (advising on futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities, being one of the joint financial advisers to the Offeror in connection with the Proposal
<b>“Governmental Authority”</b>	any government of any national or any federation, province or state or any other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of any country, or any political subdivision thereof, any court, tribunal or arbitrator, and any self-regulatory organisation
<b>“Group”</b>	the Company and its subsidiaries, and <b>“Group Company”</b> means any of them
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“HoldCo”</b>	MEGA FinCo, an exempted company incorporated in the Cayman Islands with limited liability, which is directly wholly-owned by MidCo
<b>“HoldCo Shares”</b>	ordinary shares of US\$0.001 each in the share capital of HoldCo
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“Implementation Agreement”</b>	the agreement entered into by the Company and the Offeror on 4 December 2024 pursuant to which, among other things, the Company irrevocably undertook to put forward the Scheme to the Scheme Shareholders on the terms set out therein
<b>“Independent Board Committee”</b>	the independent board committee of the Company comprising Mr. Brett Harold Krause, Mr. Simon James McDonald, and Ms. Serene Siew Noi Nah, being all of the non-executive Directors, other than Mr.



Portes and Mr. Perlman (who are Offeror Concert Parties), Mr. Hwee Chiang Lim (who is an IU Shareholder), and Mr. Rajeev Veeravalli Kannan and Ms. Joanne Sarah McNamara (whose appointing shareholders are IU Shareholders), formed for the purpose of advising (i) the Disinterested Shareholders in respect of the Proposal, and (ii) the Option-holders and the Award-holders in respect of the Option Offers and the Award Proposal

<b>“Independent Financial Adviser”</b>	the independent financial adviser to the Independent Board Committee to be appointed by the Board with the approval of the Independent Board Committee in due course
<b>“Irrevocable Undertaking(s)”</b>	the irrevocable undertaking(s) given by the IU Shareholder(s), each received by the Offeror on 4 December 2024 in respect of an aggregate of 1,307,293,403 Shares in favour of the Offeror
<b>“IU Scheme Shares”</b>	the Scheme Shares held by the IU Shareholders which are subject of the Irrevocable Undertakings (and in the case of Straits, which excludes 10,000,000 Scheme Shares held by it)
<b>“IU Shareholders”</b>	OMERS, Mr. Lim, Straits, APG and SMBC
<b>“KM ESOP”</b>	the pre-IPO employee stock incentive scheme adopted by the Company on 24 November 2017 as amended on 4 December 2024
<b>“KM Options”</b>	the options granted under the KM ESOP
<b>“KYC Documents”</b>	KYC documents as listed in the section headed “Terms of the Proposal – Election of Cash Alternative and Share Alternative” in this announcement
<b>“Last Trading Day”</b>	28 November 2024, being the last trading day of the Shares prior to their suspension in trading on the Stock Exchange pending the publication of this announcement
<b>“Last-twelve month EBITDA”</b>	US\$425 million, being earnings before interest, tax, depreciation and amortization, and excludes fair value changes on investment properties, changes in fair value of financial derivative assets, impairment of goodwill and intangible assets, share of certain associates fair value losses on investment properties and financial assets held at fair value through profit or loss, share-based compensation expense and transaction costs related to the proposal as per the Company's financial report for the six month period ending 30 June 2024. The table below sets out the detailed calculation of the Last-twelve month EBITDA as of 30 June 2024.

US\$ million	FY2023	1H23	1H24	LTM
EBITDA <sup>(1)</sup>	<u>698</u>	<u>434</u>	<u>162</u>	<u>425</u>

<sup>(1)</sup> EBITDA based on Adjusted EBITDA (less fair value changes on IP) from Company's Group Financial Summary section in 2023 Annual Report and Non-IFRS Measures section in the Company's 2024 interim report.

<b>“Laurels”</b>	Laurels Capital Investments Limited, a business company incorporated with limited liability under the laws of the British Virgin Islands, which
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	is owned by The Shen Trust, whose sole beneficiary is an associate of Mr. Shen
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“Lock-up Period”</b>	the period from and including the Effective Date to and including the third anniversary of the Effective Date
<b>“Long Term Incentive Scheme”</b>	the long term incentive scheme adopted by the Company on 2 June 2021 as amended on 7 June 2023
<b>“Maintenance of Capital”</b>	means the contemporaneous maintenance of the issued share capital of the Company at the amount prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the cancellation of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme for issuance to the Offeror
<b>“MidCo”</b>	MEGA Intermediate HoldCo, an exempted company incorporated in the Cayman Islands with limited liability, which is directly wholly-owned by EquityCo
<b>“MidCo Shares”</b>	ordinary shares of US\$0.001 each in the share capital of MidCo
<b>“Morgan Stanley”</b>	Morgan Stanley Asia Limited, a company incorporated in Hong Kong with limited liability and licensed under the SFO to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, being the sole structuring adviser and one of the co-lead financial advisers to the Offeror in connection with the Proposal
<b>“Mr. Gibson”</b>	Mr. Stuart Gibson, an executive Director, a Co-CEO and one of the Founders
<b>“Mr. Lim”</b>	Mr. Hwee Chiang Lim, a non-executive Director
<b>“Mr. Perlman”</b>	Mr. Jeffrey Perlman, a non-executive Director
<b>“Mr. Portes”</b>	Mr. Charles Alexander Portes, a non-executive Director and one of the Founders
<b>“Mr. Shen”</b>	Mr. Jinchu Shen, an executive Director, Co-CEO and one of the Founders
<b>“NBO”</b>	the non-binding offer to privatise the Company submitted by Starwood Capital Operations, L.L.C., Sixth Street and SSW Partners LP to the Company on 25 April 2024
<b>“Net Tangible Asset Value”</b>	the value of total net assets less perpetual securities, non-controlling interest, goodwill and other intangible assets of the Group. The Net Tangible Asset Value per share in Hong Kong dollars is calculated using an exchange rate of US\$1.00 to HK\$7.81 as of 30 June 2024.

The table below sets out the detailed calculation of the Net Tangible Asset Value as of 30 June 2024.

	<b>US\$ million</b>
Total Equity	8,090
(-) Non-controlling Interest	(326)
(-) Perpetual Securities	(743)
(-) Goodwill and Other Intangibles	(4,551)
(-) Goodwill in JV and Associates <sup>(1)</sup>	(125)
<b>Net Tangible Assets</b>	<b><u>2,346</u></b>

<sup>(1)</sup> Goodwill on retaining interests in joint ventures and associates based on Investments in Joint Ventures and Associate section in Notes to the Consolidated Financial Statements as of 30 June 2024.

<b>“New Money Consortium Members”</b>	Starwood Entities, SSW Entities, Sixth Street Entity, WP Other Entities and Qatar Holding
<b>“New Money Subscription Consideration”</b>	the subscription consideration which the New Money Consortium Members have committed to contribute to EquityCo to enable the Offeror to satisfy its obligation in respect of the cash consideration payable under the Proposal in accordance with the Takeovers Code, details of which are set out in the section headed “Arrangements Material to the Proposal – The Subscription and Rollover Arrangement” in this announcement
<b>“Offer Facility”</b>	the certain funds loan facility up to US\$1.5 billion made available to the Offeror by MUFG Bank, Ltd., Singapore Branch, Mizuho Bank, Ltd. and United Overseas Bank Limited
<b>“Offeror”</b>	MEGA BidCo, an exempted company incorporated in the Cayman Islands with limited liability, which is indirectly wholly-owned by EquityCo
<b>“Offeror Concert Parties”</b>	parties acting in concert or presumed to be acting in concert with the Offeror or a Consortium Member under the definition of “acting in concert” under the Takeovers Code (except in the capacity of an exempt principal trader or exempt fund manager for the purpose of the Takeovers Code), which includes each Consortium Member
<b>“Offeror Share(s)”</b>	ordinary share(s) of US\$0.001 each in the share capital of the Offeror
<b>“OMERS”</b>	OMERS Administration Corporation, a non-share capital corporation continued under the Ontario Municipal Employees Retirement System Act 2006 and a substantial shareholder of the Company as at the Announcement Date
<b>“Option(s)”</b>	outstanding Tier 1 Options, KM Options, and/or the Post-IPO Share Options
<b>“Option Offer Price”</b>	the cash consideration for the cancellation of each outstanding Option under the Option Offers, being an amount equal to the Cancellation

	Price minus the relevant exercise price of the outstanding Option for each Option
<b>“Option Offers”</b>	the offers to be made by or on behalf of the Offeror to the Option-holders for the cancellation of all outstanding Options in accordance with the Takeovers Code and the terms set out in this announcement
<b>“Option-holder(s)”</b>	the holder(s) of the Tier 1 Options, KM Options and/or the Post-IPO Share Options
<b>“POI Law”</b>	the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended from time to time
<b>“Post-IPO Share Option(s)”</b>	the option(s) granted under the Post-IPO Share Option Scheme
<b>“Post-IPO Share Option Scheme”</b>	the share option scheme adopted by the Company on 12 October 2019, as amended on 7 June 2023 and further amended on 4 December 2024
<b>“PRC”</b>	the People’s Republic of China, which, for the purpose of this announcement only, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
<b>“Pre-Condition(s)”</b>	the pre-condition(s) to the implementation of the Proposal, details of which are set out in the section headed “Terms of the Proposal – Pre-Conditions to the Proposal and the Scheme” in this announcement
<b>“Pre-Conditions Long Stop Date”</b>	nine months from the Announcement date, i.e. 4 September 2025 (or such later date as may be mutually agreed in writing between the Offeror and the Company)
<b>“Pre-NBO Date”</b>	24 April 2024, the last trading day prior to the date of submission by the Consortium of the NBO
<b>“Proposal”</b>	the proposed privatisation of the Company by the Offeror by way of the Scheme, the implementation of the Option Offers, the implementation of the Award Proposal, and the withdrawal of the listing of the Shares from the Stock Exchange, in each case, on the terms and subject to the Pre-Conditions and Conditions set out in this announcement
<b>“Qatar Holding”</b>	Qatar Holding LLC, a company incorporated in the Qatar Financial Centre, and a Shareholder. It is wholly-owned by QIA
<b>“QFLP”</b>	the Qualified Foreign Limited Partnership pilot programs in the PRC
<b>“QIA”</b>	Qatar Investment Authority, the sovereign wealth fund of the State of Qatar
<b>“Redwood”</b>	Redwood Consulting (Cayman) Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands, and which is owned as to 50.0% by each of Mr. Gibson and Mr. Portes

<b>“Redwood II”</b>	Redwood Consulting II (Cayman) Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands, and which is owned as to 50.0% by each of Mr. Gibson and Mr. Portes
<b>“Registrar of Companies”</b>	the Registrar of Companies in the Cayman Islands
<b>“REIT”</b>	real estate investment trust
<b>“Rollover Consortium Members”</b>	Starwood, SSW Entities, WP Rollover Entities, Laurels, Mr. Shen (provided that Mr. Shen shall elect the Cash Alternative for 53,875,385 of the Scheme Shares held by him or Laurels), Redwood, Mr. Gibson (or an affiliate) and Qatar Holding
<b>“Rollover EquityCo Share(s)”</b>	the unpaid EquityCo Share(s) held by each Rollover Consortium Member which correspond to the number of Shares in which such Rollover Consortium Member is interested as at the Announcement Date and the Scheme Record Date, the details of which are set out in the section headed “Arrangements Material to the Proposal – The Subscription and Rollover Arrangement” in this announcement
<b>“Rollover IU Shareholders”</b>	OMERS and SMBC, the IU Shareholders who have undertaken to elect the Share Alternative for all or part of the Scheme Shares held or owned by each of them
<b>“Scheme”</b>	the scheme of arrangement under section 86 of the Companies Act, for the implementation of the Proposal, involving the cancellation of all the Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court or agreed by the Company and the Offeror, and the simultaneous maintenance of the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares
<b>“Scheme Document”</b>	the composite scheme document to be despatched by the Company to the Shareholders containing, among other things, further details of the Proposal, a letter from the Board, a letter of advice from the Independent Financial Adviser to the Independent Board Committee, the recommendations of the Independent Board Committee and notices to convene the Court Meeting and the EGM
<b>“Scheme Record Date”</b>	the record date to be announced for determining entitlements of the Scheme Shareholders under the Scheme
<b>“Scheme Share(s)”</b>	Share(s) in issue on the Scheme Record Date held by the Shareholders
<b>“Scheme Shareholder(s)”</b>	the registered holder(s) of Scheme Shares as at the Scheme Record Date
<b>“Securities Act”</b>	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
<b>“SFA”</b>	the Singapore Securities and Futures Act (Chapter 289), as amended and supplemented from time to time

<b>“SFC”</b>	the Securities and Futures Commission of Hong Kong
<b>“SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
<b>“Share(s)”</b>	ordinary share(s) of par value of US\$0.001 each in the share capital of the Company
<b>“Share Alternative”</b>	the share alternative under the Proposal, being one EquityCo Share for every Scheme Share held
<b>“Shareholder(s)”</b>	registered holder(s) of Share(s)
<b>“Shareholder Arrangements”</b>	the shareholder arrangements as set out in the section headed “Arrangements Material to the Proposal – The Shareholder Arrangements” in this announcement
<b>“Shen Option(s)”</b>	the options to be granted to Mr. Shen representing rights to acquire EquityCo Shares, the key terms of which are set out in the section headed “Arrangements Material to the Proposal – The Shen Options” in this announcement
<b>“Sixth Street Entity”</b>	Sherbourne Holdings, LLC, a limited liability company directly or indirectly controlled by funds managed or advised by affiliates of Sixth Street Partners, LLC (“ <b>Sixth Street</b> ”) established in the state of Delaware, having its address at 2100 McKinney Avenue, Suite 1500 Dallas, Texas 75201 United States of America
<b>“SMBC”</b>	Sumitomo Mitsui Banking Corporation, a company incorporated in Japan with limited liability
<b>“Special Board Matters”</b>	<p>the set of reserved matters which requires the approval of the majority of the EquityCo Board or the Board, and shall also require the approval of:</p> <ul style="list-style-type: none"> <li>(a) each Consortium Member (other than the Founder Parties) or its affiliate who is an EquityCo Shareholder whose (i) actual shareholding in EquityCo is at least 2.5%, and (ii) Undiluted Shareholding in EquityCo is at least 7.5%; and</li> <li>(b) each of the Founder Parties and EquityCo Shareholder which is not a Consortium Member provided that: <ul style="list-style-type: none"> <li>(i) such Founder or EquityCo Shareholder has nominated a director to the EquityCo Board which had been approved by a majority of EquityCo Board pursuant to the approval procedures set out in the section under “The Shareholder Arrangements – Composition of the EquityCo Board” of this announcement; and</li> <li>(ii) has an actual shareholding in EquityCo of at least 2.5% and whose Undiluted Shareholding in EquityCo is (in respect of any EquityCo Shareholder other than the Founders) at least 7.5% or (in respect of Laurels)</li> </ul> </li> </ul>

the lower of its Undiluted Shareholding as at the Effective Date and 7.5%,

provided that in each case the relevant Undiluted Shareholding thresholds may be lowered by approval as a Special Board Matter from time to time (such shareholders, the “**SBM Holders**”); and

- (c) 42 months after the Effective Date, if approved by all bar one of the SBM Holders, certain of the Special Board Matters may only require the approval of at least all bar one of the SBM Holders

<b>“Starwood”</b>	SOF-12 Sequoia Investco Ltd, a company incorporated with limited liability in the Cayman Islands and a substantial shareholder of the Company as at the Announcement Date
<b>“Starwood Entities”</b>	Starwood and Starwood Electron Co-Invest L.P., a co-invest vehicle managed and/or advised by an affiliate of Starwood
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Straits”</b>	The Straits Trading Company Limited, a company incorporated under the laws of Singapore, which has certain affiliates which are collectively interested in approximately 5.01% of the total issued Shares as at the Announcement Date
<b>“Subscription and Rollover Arrangement”</b>	the arrangement between Offeror, HoldCo, MidCo, EquityCo, and the Consortium Members as set out in the section headed “Arrangements Material to the Proposal – The Subscription and Rollover Arrangement” in this announcement
<b>“subsidiary”</b>	has the meaning given to it under the Listing Rules
<b>“SSW Entities”</b>	(i) SSW CEI (CN), L.P., a limited partnership established under the laws of Ontario, whose general partner is SSW CEI GP, LLC, and a substantial shareholder of the Company; and (ii) SSW (ESR) SPV, L.P., a limited partnership established under the laws of Ontario, whose general partner is SSW (ESR) SPV GP, LLC, and an affiliate of SSW CEI (CN), L.P.
<b>“Takeovers Code”</b>	the Hong Kong Code on Takeovers and Mergers
<b>“The Shen Trust”</b>	The Shen Trust, a trust established under the laws of the British Virgin Islands, whose trustee is Tricor Equity Trustee Limited, and the settlor of which is Rosy Fortune Limited, which is wholly-owned by Mr. Shen
<b>“Tier 1 ESOP”</b>	the pre-IPO employee stock incentive scheme adopted by the Company on 3 November 2015
<b>“Tier 1 Option(s)”</b>	the option(s) granted under the Tier 1 ESOP

<b>“Trustee”</b>	Computershare Hong Kong Trustees Limited, the trustee appointed by the Company to assist with the administration and vesting of the Awards and which holds Shares for the benefit of the Award-holders
<b>“UBS”</b>	UBS AG (acting through its Hong Kong Branch), a registered institution under the SFO to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO, being one of the joint financial advisers to the Offeror in connection with the Proposal. UBS AG is incorporated in Switzerland with limited liability
<b>“Undiluted Shareholding in EquityCo”</b>	the shareholding in EquityCo which disregards any EquityCo Shares issued after the Effective Date, other than the EquityCo Shares to be issued pursuant the Shen Options which are deemed to be issued on the Effective Date (save to the extent they have terminated or lapsed)
<b>“U.S.” or “United States”</b>	the United States of America
<b>“US\$”</b>	the United States dollar, the lawful currency of the United States of America
<b>“WP Entities”</b>	WP Rollover Entities and WP Other Entities
<b>“WP Other Entities”</b>	(i) WP Andesine Holding Ltd, (ii) WP Ekanite Gem Ltd and (iii) WP Nepheline Ltd. Each of the foregoing entities is an exempted company incorporated in the Cayman Islands with limited liability which is ultimately controlled by Warburg Pincus (Bermuda) Private Equity GP Ltd
<b>“WP Rollover Entities”</b>	Alexandrite Athena GroupCo Ltd and/or its subsidiaries, each being a company incorporated in the Cayman Islands or the British Virgin Islands with limited liability. Alexandrite Athena GroupCo Ltd and its subsidiaries, Alexandrite Gem TopCo Ltd and Alexandrite Gem Holdings Limited, are substantial shareholders of the Company. For the shareholding details of Alexandrite Athena GroupCo Ltd, please refer to Note 3 to the table under the section headed “Shareholding Structure of the Company” of this announcement
<b>“%”</b>	per cent.

*\* Amounts expressed in HK\$ or US\$ have been translated into US\$ or HK\$ respectively based on the exchange rate of US\$1.00 to HK\$7.8.*

By order of the board of directors of  
**MEGA BidCo**  
*Chairman*

By order of the board of directors of  
**ESR Group Limited**

Hong Kong, 4 December 2024



*As at the Announcement Date, the board of directors of the Company comprises Mr. Jinchu Shen and Mr. Stuart Gibson as executive Directors, Mr. Jeffrey Perlman, Mr. Charles Alexander Portes, Mr. Hwee Chiang Lim, Mr. Rajeev Veeravalli Kannan and Ms. Joanne Sarah McNamara as non-executive Directors, Mr. Brett Harold Krause as the Chairman and independent non-executive Director, and Mr. Simon James McDonald, and Ms. Serene Siew Noi Nah as independent non-executive Directors. The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than information relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement by the Directors (other than those expressed by the directors of the Offeror and the respective directors of the Consortium Members in their capacities as such) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in the announcement misleading.*

*As at the Announcement Date, the board of directors of the Offeror comprises Mr. David Matheson, Mr. Thomas Tolley, Mr. Jeffrey Perlman, Ms. Chloe Zhang, Mr. Jacob Liebschutz, Mr. Stuart Gibson, Mr. Jinchu Shen and Mr. Julian Salisbury, who jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the EquityCo Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the directors of the Offeror have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the Announcement Date, the directors of Starwood are Jason Sneah, David Matheson and Rachel Williams, and the managing director of SCGG II GP, L.L.C., acting in its capacity as the general partner of Starwood Capital Group Global II, L.P., acting in its capacity as the sole member of Starwood Electron Co-Invest GP, L.L.C., is Nick Antonopoulos (together with Jason Sneah, David Matheson and Rachel Williams, collectively, the “**Starwood Entities Responsible Persons**”). The Starwood Entities Responsible Persons who jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the Starwood Entities and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the Starwood Entities Responsible Persons have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the Announcement Date, the managing members of SSW CEI GP, LLC, the (i) general partner of SSW CEI (CN), L.P. and (ii) sole member of SSW (ESR) SPV GP, LLC, the general partner of SSW (ESR) SPV, L.P., are Eric Schwartz, Joshua Steiner and Antonio Weiss (the “**SSW Responsible Persons**”), who jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the SSW Entities and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the SSW Responsible Persons have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the Announcement Date, the board of managers of Sixth Street Entity are Mr. Julian Salisbury, Mr. Toni Elias and Mr. Giulio Passanisi, who jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to Sixth Street Entity and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the board of managers of Sixth Street Entity have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the Announcement Date, the directors of each of the WP Entities are Ms. Tara O'Neill, Mr. David Sreter and Mr. Steven Glenn, who jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the WP Entities and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the directors of the WP Entities have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the Announcement Date, the sole director of Laurels is Mr. Jinchu Shen, who accepts full responsibility for the accuracy of the information contained in this announcement relating to Laurels and Mr. Jinchu Shen and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement by the sole director of Laurels (other than those expressed by him in his capacity as a Director) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the Announcement Date, the directors of Redwood II are Mr. Stuart Gibson and Mr. Charles Alexander Portes, who jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to Redwood II, Redwood, Mr. Stuart Gibson and Mr. Charles Alexander Portes and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the directors of the Redwood II, Mr. Stuart Gibson and Mr. Charles Alexander Portes (other than those expressed by Mr. Stuart Gibson and Mr. Charles Alexander Portes in their capacity as Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the Announcement Date, the directors of Qatar Holding are Mr. Mohammed Saif Al-Sowaidi, Mr. Mohammed Yaser Al-Mosallam, Mr. Khaled Sultan Al-Rabban and Mr. Ahmad Mohammed Al-Khanji, who jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to Qatar Holding and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the directors of Qatar Holding have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*In the event of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*

## **SCHEDULE 2**

### **COMPANY'S WARRANTIES**

#### **1. Corporate Matters**

- (a) Each member of the Group is duly incorporated or established under the laws of its respective jurisdiction of incorporation, and has been validly existing since incorporation.
- (b) The Company is duly authorised, has the requisite power and authority and has obtained or satisfied all corporate and regulatory approvals necessary to execute and deliver this Agreement and exercise its rights and perform its obligations under this Agreement in accordance with its terms.
- (c) The Company's obligations under this Agreement constitute valid, legal and binding obligations of it enforceable in accordance with its terms.
- (d) Other than in compliance with the applicable requirements under the Takeovers Code and the Listing Rules in respect of the Proposal and the Scheme, neither the execution nor performance of this Agreement nor the implementation and completion of the Proposal and the Scheme will (subject to the satisfaction of the Pre-Conditions and Conditions) result in or constitute:
  - (i) a violation or breach by the Company or, to the best of the knowledge of the Company, a member of the Group of any applicable laws; or
  - (ii) a violation or breach by the Company or a member of the Group of the terms of its constitutional documents or by-laws,

provided that there shall be no breach of this paragraph 1(d) if any necessary consents or waivers will have been obtained from relevant third parties before the Effective Date.

#### **2. Securities of the Company**

- (a) The relevant securities of the Company in issue as at the date of this Agreement comprise:
  - (i) 4,245,428,349 Shares (which are fully paid up);
  - (ii) 7,799,856 outstanding Tier 1 Options;
  - (iii) 11,518,642 outstanding KM Options;
  - (iv) 17,175,200 outstanding Post-IPO Share Options; and
  - (v) 7,816,050 outstanding Awards in issue and 8,724,054 allocated new grants of Awards,

and save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this Agreement.

- (b) As at the date of this Agreement, a total number of 352,613 Shares are held on trust by the Trustee for the Long Term Incentive Scheme.

#### **3. Insolvency**

- (a) Neither the Company nor any other Group Company:
  - (i) is insolvent or unable to pay its debts within the meaning of the insolvency legislation applicable to the company concerned in its jurisdiction of incorporation; or
  - (ii) is unable to pay, or has stopped paying, its debts as they fall due.
- (b) So far as each of Ivan Lim (Group CFO), Philip Pearce (Group Deputy CEO), Matt Lawson (Group COO), Zoe Shou (Group General Counsel) and Richard Lee (Group Company Secretary) is aware, as at the date of this Agreement, no petition has been presented, no order has been made or resolution passed for the winding up of the Company or any material subsidiary of the Company or for the appointment of a liquidator or a provisional liquidator to the Company or any material subsidiary of the Company. So far as each of Ivan Lim (Group CFO), Philip Pearce (Group Deputy CEO), Matt Lawson (Group COO), Zoe Shou (Group General Counsel) and Richard Lee (Group Company Secretary) is aware, as at the date of this Agreement, no receiver or administrative receiver has been appointed, nor any written notice given of the appointment of any such person, over the whole or part of the business or assets of the Company or any material subsidiary of the Company (other than any solvent or voluntary winding up or liquidation which: (i) has been consented to by the Offeror (or, for the avoidance of doubt, by the CRC on behalf of the Offeror) between the date of this Agreement and the Effective Date in accordance with this Agreement; or (ii) has been undertaken in the ordinary and usual course of business).
- (c) So far as the Company is aware, no petition has been presented, no order has been made or resolution passed for the winding up of any member of the Group (other than those covered by sub-paragraph (b) above) or for the appointment of a liquidator or a provisional liquidator to any member of the Group (other than those covered by sub-paragraph (b) above). So far as the Company is aware, no receiver or administrative receiver has been appointed, nor any written notice given of the appointment of any such person, over the whole or part of the business or assets of any member of the Group (other than those covered by sub-paragraph (b) above) (other than any solvent or voluntary winding up or liquidation which: (i) has been consented to by the Offeror (or, for the avoidance of doubt, by the CRC on behalf of the Offeror) between the date of this Agreement and the Effective Date in accordance with this Agreement; or (ii) has been undertaken in the ordinary and usual course of business).

#### 4. Compliance with Laws and Material Approvals

- (a) The Group has complied in all material respects with the Listing Rules and the SFO (other than the Listing Rules requirement to maintain a board that is comprised of 1/3rd of independent non-executive directors).
- (b) (i) As far as the Company is aware, each Group Company, and (ii) as far as each of Josh Daitch (Group CIO), Philip Pearce (Group Deputy CEO) and Thijs Hupkes is aware, each Fund Entity, has in full force and effect the Material Approvals required for carrying on its business effectively in the places and in the manner in which it is carried on at the date of this Agreement in accordance with all Applicable Laws, where “**Material Approvals**” for this purpose means such Approvals required to enable the Group or Fund Entity (as applicable) to carry on its business in the jurisdictions and in the manner in which such business is currently carried on in all material respects.
- (c) The Company has prior to the date of this Agreement disclosed to the Offeror (or its advisors) those regulatory licenses held by the Group in respect of which, as far as the Company is aware, an Approval is required from a Governmental Authority (or a

notification is required to be made to a Governmental Authority) in order to give effect to the Scheme as of the date hereof.

## **5. ABC and Sanctions**

- (a) So far as the Company is aware and save as disclosed in the Due Diligence Process:
  - (i) each Group Company has conducted its business in the past five years in compliance with applicable Anti-Bribery Laws and Anti-Money Laundering Laws; and
  - (ii) no Group Company, nor (so far as the Company is aware) any director, officer or employee of a Group Company is a Government Official or (so far as the Company is aware) an Affiliate of a Government Official.
- (b) The Group has instituted and implemented policies and procedures reasonably designed to ensure compliance by all Group Companies with applicable Anti-Bribery Laws, Anti-Money Laundering Laws and Sanctions Laws in all markets in which it operates.
- (c) No Group Company is, or is owned or Controlled by, a Sanctioned Person, and none of its officers, directors, or (so far as the Company is aware) holders of its equity interests is a Sanctioned Person.
- (d) Since 24 April 2019, no Group Company has engaged in any dealings or transactions, directly or indirectly:
  - (i) with any individual or entity that at the time of the dealing or transaction is or was a Sanctioned Person in violation of Sanctions Law; or
  - (ii) involving, as far as the Company is aware, any country or territory that at the time of the dealing or transaction is or was a Sanctioned Territory, or
  - (iii) that were or are otherwise in violation of any Sanctions Law.

## **6. Funds**

- (a) As at the date hereof, as far as each of Josh Daitch (Group CIO), Philip Pearce (Group Deputy CEO) and Thijs Hupkes is aware and except as disclosed in the Due Diligence Process, no written notice has been received by any Fund Entity or Group Company in respect of (in each case, to the extent applicable) (i) the removal of any general partner or manager (whether with or without cause) in respect of any Material Fund; (ii) the termination of any Material Fund before the expiry of its term pursuant to the applicable Material Fund Document; or (iii) the withdrawal of any material limited partner in respect of a Material Fund due to the fault of any Group Company; and so far as the Company is aware, as at the date hereof, there are no circumstances existing which would, or would be likely to, result in the giving of such notice.

## **7. Investigations and Disputes**

- (a) As at the date hereof, so far as the Company is aware and except as disclosed in the Due Diligence Process, no Group Company is:
  - (i) the subject of an outstanding or (so far as the Company is aware) pending or threatened investigation, disciplinary proceeding, or enquiry by any Governmental Authority; or

- (ii) involved as a defendant or respondent in any outstanding or (so far as the Company is aware) pending or threatened claim, legal action, proceeding, suit, litigation, arbitration, prosecution, investigation, enquiry, mediation or contentious administrative proceedings,

which would reasonably be expected to be material to the Group taken as a whole (excluding, for the avoidance of doubt, any routine Tax audit), (where **material** for these purposes means US\$25 million).

- (b) As at the date hereof, except as disclosed in the Due Diligence Process, none of the Group Companies has received any written notice or other communication from any Governmental Authority specifying or alleging a material violation and/or failure to comply with any Applicable Law by any Group Company.

## **8. Other**

- (a) As at the date hereof, so far as the Company is aware:
  - (i) neither the Company nor any of its subsidiaries is a “covered foreign person,” as that term is defined in 31 C.F.R. § 850.209; and
  - (ii) neither the Company nor any of its subsidiaries currently engage, or have plans to engage in a “covered activity,” as that term is defined in in 31 C.F.R. § 850.208.

### **SCHEDULE 3**

#### **OFFEROR'S WARRANTIES**

1. The Offeror is an exempted company duly incorporated under the laws of the Cayman Islands and has been validly existing and in good standing under the laws of the Cayman Islands since incorporation.
2. The Offeror is duly authorised, has full power and authority and has taken all actions necessary, and has obtained or satisfied all corporate and regulatory approvals, to execute and deliver this Agreement and exercise its rights, and perform its obligations under this Agreement in accordance with its terms.
3. The Offeror's obligations under this Agreement and each other document to be executed by the Offeror at or before the Effective Date constitutes, or will when executed constitute, valid, legal and binding obligations on the Offeror enforceable in accordance with their respective terms.
4. Neither the execution nor performance of this Agreement (or any other document to be executed by the Offeror on or before the Effective Date) nor the making, implementation and completion of the Scheme will result in or amount to, a violation or breach by the Offeror of any Applicable Laws, or constitute a breach by the Offeror of any contract, agreement, articles of association, undertaking or commitment to which the Offeror is a party.
5. The Offeror will have sufficient resources available to it to satisfy acceptances in full of the Proposal in accordance with the Takeovers Code.





Signed by

duly authorised for an on behalf of

**Mega Bidco**

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A handwritten signature in black ink, appearing to be 'T. Tolley', written over a horizontal line.

Name: **Thomas Tolley**

Title: **Director**