

DATED 18 January 2021

OCEAN KUNPENG HOLDING LIMITED

SCC GROWTH VI HOLDCO I, LTD.

OCEAN KUNPENG LIMITED

and

KUNPENG ASIA LIMITED

CONSORTIUM AGREEMENT

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THIS CONSORTIUM AGREEMENT (this "**Agreement**") is entered into on 18 January 2021, by and among:

- (1) **OCEAN KUNPENG HOLDING LIMITED** ("**Ocean Link**"), a company incorporated in the Cayman Islands with limited liability whose registered office is at PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands;
- (2) **SCC GROWTH VI HOLDCO I, LTD.** ("**Sequoia China**", and together with Ocean Link, the "**Sponsors**" and each, a "**Sponsor**"), an exempted company incorporated in the Cayman Islands with limited liability whose registered office is at PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands;
- (3) **OCEAN KUNPENG LIMITED** ("**TopCo**"), an exempted company incorporated in the Cayman Islands with limited liability whose registered office is at c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands; and
- (4) **KUNPENG ASIA LIMITED** (the "**Offeror**"), a company incorporated in Hong Kong with limited liability whose registered office is at Room 303, 3rd Floor, St. George's Building, 2 Ice House Street, Central, Hong Kong,

each a "**Party**", and together, the "**Parties**".

WHEREAS:

- (A) Zhejiang New Century Hotel Management Co., Ltd. (the "**Company**") is a joint stock company incorporated in the PRC with limited liability whose issued H Shares are currently listed on the Main Board of the Stock Exchange (stock code: 1158) with its registered office at 18th Floor, No. 818 Shixinzhong Road, Beigan Subdistrict, Xiaoshan District, Hangzhou, Zhejiang Province, the PRC. As of the date of this Agreement, the Company has an issued share capital of 280,000,000 Shares comprising 70,000,000 H Shares, 159,659,640 Domestic Shares and 50,340,360 Unlisted Foreign Shares.
- (B) TopCo has established the Offeror for the purpose of the privatization of the Company through the Offeror making pre-conditional voluntary conditional offers for all the issued H Shares and Domestic Shares (other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it who have undertaken not to accept the Offers), which may result in the delisting of the Company from the Stock Exchange (the "**Delisting**", together with the Offers, collectively the "**Transaction**").
- (C) Each of the Sponsors wishes to participate in the Transaction by contributing the investment amount set forth opposite its name in Schedule 1 hereto to TopCo (subject to any adjustments made in accordance with the terms and provisions of this Agreement) in order to enable the Offeror to pay the consideration in respect of the Transaction.
- (D) The Sponsors and TopCo have entered into the shareholders' deed dated as of the date of this Agreement in respect of the governance of TopCo (the "**Shareholders' Agreement**"), which is intended to take effect in accordance with its terms and conditions upon the allotment, issuance and subscription in accordance with Clause 3.2 of this Agreement.
- (E) The Sponsors, TopCo and the Offeror have agreed to enter into this Agreement to, among others, regulate the Sponsors' investment contributions to TopCo, and their relationship in relation to the Transaction and the conduct and implementation of the Transaction.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In addition to the terms elsewhere defined herein, in this Agreement, except where the context otherwise requires:

"Acceptances Notification" has the meaning given to it in Clause 2.8.

"acting in concert" has the meaning given to it in the Takeovers Code.

"Affiliate" means, with respect to any person, any other person that, directly or indirectly, controls, is controlled by or is under common control with such specified person, provided that:

- (a) in respect of TopCo, the Offeror and Ocean Link, an Affiliate shall exclude any limited partner in, and any portfolio company of, any fund managed or advised by Ocean Link Partners II GP, L.P. or any of its Affiliates; and
- (b) in respect of Sequoia China, an Affiliate shall exclude any limited partner in, and any portfolio company of, any fund managed or advised by SC China Growth VI Management, L.P. or any of its Affiliates,

and **"Affiliates"** shall be construed accordingly.

"Announcement" means the announcement relating to the Transaction to be issued under Rule 3.5 of the Takeovers Code, in substantially the form set out in Schedule 2 hereto, with such amendments thereto as may be approved by the Executive and/or the Stock Exchange and agreed between the Sponsors.

"Authorisation" means any license, permit, consent, authorisation, permission, clearance, warrant, confirmation, certificate, order, exemption, waiver or approval of any Authority or any other person.

"Authority" means any competent governmental, administrative, supervisory, regulatory, judicial, determinative, disciplinary, enforcement or tax raising body, authority, agency, board, department, court or tribunal of any jurisdiction (including any relevant securities exchange and the SFC) and whether supranational, national, regional or local.

"Business Day" means a day on which the Stock Exchange is open for the transaction of business.

"Committed Domestic Share Investment Amount" has the meaning given to it in Clause 2.5(b).

"Committed H Share Investment Amount" has the meaning given to it in Clause 2.5(a).

"Committed Investment Amount" means the sum of the Committed Domestic Share Investment Amount and the Committed H Share Investment Amount to be contributed by a Sponsor under this Agreement.

"Company" has the meaning given to it in the preamble hereto.

"**Completion**" means the later of: (a) the date on which the Delisting has been completed and the H Shares have been fully withdrawn from listing on the Stock Exchange; and (b) the date that all consideration payable by the Offeror under the Offers is paid in full pursuant to the Takeovers Code or such other date as agreed with the Executive or any delegate of the Executive.

"**Composite Offer Document**" means a document containing the terms and conditions of the Offers to be despatched to the shareholders of the Company as required by the Takeovers Code.

"**Conditions**" means the conditions of the H Share Offer as set out in the Announcement.

"**Confidential Information**" has the meaning given to it in Clause 6.2.

"**Consortium Advisor Expenses**" has the meaning given to it in Clause 4.1.

"**Contribution Ratio**" has the meaning given to it in Clause 2.5.

"**control**" means, when used with respect to any person, the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "**controlling**" and "**controlled**" have the meanings correlative to the foregoing.

"**Dealing Party**" has the meaning given to it in Clause 5.5.

"**Delisting**" has the meaning given to it in the preamble hereto.

"**Domestic Share Funding Date**" has the meaning given to it in Clause 2.5(b).

"**Domestic Share Offer**" means the pre-conditional voluntary conditional offer to acquire all of the issued Domestic Shares (other than those already owned or controlled or agreed to be acquired by the Offeror and parties acting in concert with it who have undertaken not to accept the Domestic Share Offer).

"**Domestic Shares**" means the ordinary share(s) in the capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB.

"**Encumbrance**" means any interest or equity of any person (including any right to acquire, option or right of pre-emption), any mortgage, charge, pledge, lien, assignment, hypothecation, security interest (including any created by law), title retention or other security agreement or arrangement.

"**Executive**" means the Executive Director of the Corporate Finance Division of the SFC.

"**Financial Advisor**" means UBS AG, Hong Kong Branch, the financial advisor to the Offeror in respect of the Offers.

"**Group**" means the Company and its subsidiaries from time to time, and "**member of the Group**" shall be construed accordingly.

"**H Share Funding Date**" has the meaning given to it in Clause 2.5(a).

"**H Share Offer**" means the pre-conditional voluntary conditional offer to acquire all of the issued H Shares (other than those already owned or controlled or agreed to be acquired by the Offeror and parties acting in concert with it who have undertaken not to accept the H Share Offer).

"**H Shares**" means the foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange as of the date of this Agreement and will be unlisted on any stock exchange upon the Delisting.

"**HK\$ / HK dollars**" means Hong Kong dollar(s), the lawful currency of Hong Kong.

"**HKIAC**" means the Hong Kong International Arbitration Centre.

"**HKIAC Rules**" has the meaning given to it in Clause 14.3.

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC.

"**Individual Advisor Expenses**" has the meaning given to it in Clause 4.2.

"**Listing Rules**" means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

"**Notice**" has the meaning given to it in Clause 11.1.

"**Offers**" means the H Share Offer and the Domestic Share Offer.

"**Post Completion Acceptances**" has the meaning given to it in Clause 5.4.

"**PRC**" means the People's Republic of China and for the purposes of this Agreement, excludes Hong Kong, Macau and Taiwan.

"**Pre-Condition**" has the meaning given to it in the Announcement.

"**Receiving Agent**" means, for the purposes of the H Share Offer, Tricor Investor Services Limited or such other receiving agent as may be jointly appointed by the Sponsors, and for the purposes of the Domestic Share Offer, such receiving agent as may be jointly appointed by the Sponsors.

"**Representative**" of a Party means such Party's employees, directors, officers, partners, members, nominees, agents, advisors (including, but not limited to legal counsel, accountants, consultants and financial advisors), potential sources of equity or debt financing, and any representatives of the foregoing.

"**Restricted Transaction**" has the meaning given to it in Clause 5.2.

"**RMB**" means Renminbi, the lawful currency of the PRC.

"**SFC**" means the Securities and Futures Commission of Hong Kong.

"**SFO**" means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

"**Shareholders' Agreement**" has the meaning given to it in the preamble hereto.

"**Shares**" means the H Shares, the Domestic Shares and the Unlisted Foreign Shares.

"**Stock Exchange**" means The Stock Exchange of Hong Kong Limited.

"**Surviving Provisions**" means Clause 1 (*Definitions and Interpretation*), Clause 4 (*Transaction Costs*), Clause 5.3, Clause 5.4, Clause 6 (*Announcement and Confidentiality*), Clause 9 (*Termination*), Clause 10 (*General Provisions*), Clause 11 (*Notices*), Clause 12 (*Language*), Clause 13 (*Counterparts*) and Clause 14 (*Governing Law and Arbitration*).

"**Takeovers Code**" means, at the relevant time, the Hong Kong Code on Takeovers and Mergers in force at that time.

"**Tendered Shares**" means the total number of Shares validly tendered for acceptance by the shareholders of the Company pursuant to and in accordance with the Offers.

"**TopCo Shares**" means the ordinary shares in the capital of TopCo with a nominal value of US\$1.00.

"**Total Committed Investment Amount**" means the sum of the Committed Investment Amounts of all the Sponsors under this Agreement, being the amount of HK\$1,511,250,000.

"**Transaction**" has the meaning given to it in the preamble hereto.

"**Transaction Documents**" has the meaning given to it in Clause 2.2(b).

"**Transaction Expenses**" has the meaning given to it in Clause 4.3.

"**Unlisted Foreign Shares**" means the ordinary shares in the capital of the Company with a nominal value of RMB1.00 each that are held by persons other than PRC nationals or PRC incorporated entities and are not listed on any stock exchange.

"**US\$**" mean the US dollar(s), the lawful currency of the United States of America.

1.2 In this Agreement, except where the context otherwise requires:

- (a) the expressions "**Party**" and "**Parties**" shall, where the context permits, include their respective successors and permitted assigns and any persons deriving title under them.
- (b) a reference to Clauses, Paragraphs, Schedules and the Recitals are to the clauses, paragraphs, recitals of, and the schedules to, this Agreement;
- (c) a reference to this Agreement or to any specified provision of this Agreement are to this Agreement or provision as in force for the time being (as amended, modified, supplemented, varied, assigned or novated, from time to time);
- (d) a reference to this Agreement includes the Schedules, which forms part of this Agreement for all purposes;
- (e) a reference to a "**company**" shall be construed so as to include any company, corporation or other body corporate (wherever and however incorporated and established);
- (f) a reference to a "**person**" shall be construed so as to include any individual, company, corporation, joint stock company, body corporate, association, trust, joint venture, partnership, firm, organisation, governmental entity or any other entity (whether or not having separate legal personality), its successors and assigns;
- (g) the expressions "**subsidiary**", "**holding company**" and "**group of companies**" shall have the meanings given to them in sections 2, 13 and 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
- (h) a reference to writing shall include any mode of reproducing words in a legible and non-transitory form;
- (i) a reference to a time of a day is to Hong Kong time;

- (j) a reference to “**applicable law**” shall be construed with respect to a particular matter or person as a reference to any laws, rules, common law, statutes, directives, recommendations, regulations, notices, codes of practice, guidelines, guidance notes, judgments, decrees or orders, instruments or subordinate legislation of any Authority (whether in Hong Kong or any other relevant jurisdiction) with respect to that matter or person;
- (k) a person being “**interested in**” or having an “**interest in**” shares or securities shall be interpreted, and a person shall be deemed to be “interested in” or having an “interest in” shares or securities if he is taken to be interested in such shares or securities, in accordance with Part XV of the SFO;
- (l) references to “**dealing**” and “**offer period**” shall be interpreted in accordance with the Takeovers Code;
- (m) a reference to any Hong Kong legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction (other than Hong Kong) be deemed to be construed as references to the term or concept which most nearly approximates the Hong Kong legal term in that jurisdiction, and references to any Hong Kong statute or enactment shall be deemed to be construed as references to any equivalent or analogous laws or rules in any other jurisdiction;
- (n) a reference to any law or enactment includes references to:
 - (i) that law or enactment as re-enacted, amended, extended or applied by or under any other enactment (before or after execution of this Agreement);
 - (ii) any law or enactment which that law or enactment re-enacts (with or without modification); and
 - (iii) any subordinate legislation made (before or after execution this Agreement) under any law or enactment, as re-enacted, amended, extended or applied, as described in paragraph (i) above, or under any law or enactment referred to in paragraph (ii) above;

and “**law**” and “**enactment**” includes any legislation in any jurisdiction;
- (o) the Parties acknowledge that they have participated jointly in the negotiation and drafting of this Agreement and, in the event that a question of interpretation arises (including as to the intention of the Parties), no presumption or burden of proof shall arise in favour of or against any Party based on the authorship of any provisions;
- (p) words importing the singular include the plural and vice versa, and words importing a gender include every gender;
- (q) headings are included in this Agreement for convenience only and do not affect its interpretation;
- (r) in construing this Agreement the so-called “*ejusdem generis*” rule does not apply and accordingly the interpretation of general words is not restricted by:
 - (i) being preceded by words indicating a particular class of acts, matters or things; or

- (ii) being followed by particular example; and
- (s) the words “**include**” and “**including**” shall be construed without limitation.

2. IMPLEMENTATION OF THE OFFERS

2.1 Each Party agrees that it shall fulfil its own obligations, and each Sponsor and TopCo shall procure that the Offeror fulfils its obligations, under the Takeovers Code and the Listing Rules in effect from time to time in connection with the Transaction at its own cost, and shall not (without the prior written consent of both Sponsors) make any statement, do any act or thing or fail to do any act or thing, which is adverse or potentially adverse to the Transaction. Each Party shall comply, and shall procure that each of its relevant Affiliates, shall comply, with all applicable laws relevant to the Transaction (including the general principles and rules of the Takeovers Code together with any rulings by the Executive or the Takeovers and Mergers Panel relating to the Transaction) and cooperate with each other and their respective professional advisors.

2.2 Unless otherwise explicitly agreed herein and other than as required under applicable laws, all decisions relating to the Transaction shall be made jointly by the Sponsors, including decisions in respect of:

- (a) the terms and conditions of the Offers;
- (b) the contents of the Announcement, any other announcements, the Composite Offer Document, forms of acceptance or circulars to be issued, irrevocable undertakings or similar agreements to be entered into between the Offeror and certain shareholders of the Company, and agreements in relation to financial resources requirements to be entered into between TopCo, the Offeror and the Financial Advisor, in each case in connection with the Transaction (collectively, the “**Transaction Documents**”) pursuant to the Takeovers Code and/or the Listing Rules, including any references to and description of the Sponsors, TopCo, the Offeror or their Affiliates that are contained in such documentation;
- (c) any amendments, modifications or variations to the terms and conditions of the Offers from those set out in the Announcement (including any increase in the consideration which may be offered pursuant to the Offers);
- (d) the making of any statement by any Party in connection with the Transaction or the timing for the release of any Transaction Document;
- (e) the incurrance of any cost or expense in relation to the Transaction (other than any Sponsor’s Individual Advisor Expenses); and
- (f) subject to Clause 4.2, the appointment of any financial, legal and any other advisors in connection with the Transaction, to the extent such advisor is to act on behalf of all but not some of the Sponsors as a group, TopCo and/or the Offeror,

and for the avoidance of doubt, each Party shall not be liable to any other Party for any action taken by it in accordance with this Clause 2.2 or decisions made in accordance with this Clause 2.2.

2.3 The Offeror shall, and each Sponsor and TopCo shall procure the Offeror to, make the Offers pursuant to the terms and conditions set forth in the Announcement, as soon as reasonably practicable after the signing of this Agreement and in any event by no later than seven (7) days after satisfaction of the Pre-Condition (or such later date as the Executive may agree).

- 2.4 Without prejudice to any other provision of this Agreement, each Party shall use its reasonable endeavours to do (or procure to be done), and to assist and co-operate with the other Parties in doing, all things reasonably necessary, proper or advisable to consummate and make effective, as promptly as reasonably practicable, the Transaction including:
- (a) subject to Clause 2.2, consenting to the release of the Announcement with references to each Party and/or its Affiliates and to the details of this Agreement;
 - (b) to procure the release of the Announcement as soon as reasonably practicable after it is approved and cleared by the Executive and the Stock Exchange;
 - (c) the obtaining of all necessary Authorisations in respect of the Transaction from the relevant third parties and Authorities as promptly as reasonably practicable, including in connection with the fulfilment of the Pre-Condition and the Conditions;
 - (d) executing and delivering any additional document or instrument necessary to consummate the Transaction and other transactions contemplated in this Agreement and to fully carry out the purpose of this Agreement; and
 - (e) providing the other Parties with any information or document reasonably requested and/or necessary or appropriate for making any submission, filing or notification to any Authority in relation to the Transaction, including making any filings jointly with the other Parties where required by any Authority.

2.5 Each Sponsor agrees to contribute, or procure the contribution of:

- (a) the investment amount in respect of the H Share Offer, as set forth opposite its name in Part A of Schedule 1 hereto (the "**Committed H Share Investment Amount**"), by way of equity investment in cash to TopCo, and the Sponsors shall procure that TopCo shall contribute the aggregate of the Committed H Share Investment Amounts received from the Sponsors in cash to the Offeror (or such account as the Offeror may direct), on or prior to the date that is four (4) Business Days after the date that the H Share Offer becomes unconditional in all respects (the "**H Share Funding Date**"); and
- (b) the investment amount in respect of the Domestic Share Offer, as set forth opposite its name in Part B of Schedule 1 hereto (the "**Committed Domestic Share Investment Amount**"), by way of equity investment in cash to TopCo, and the Sponsors shall procure that TopCo shall contribute the aggregate of the Committed Domestic Share Investment Amounts received from the Sponsors in cash to the Offeror (or such account as the Offeror may direct), on or prior to the date that is ten (10) Business Days after the date on which the first holder of Domestic Shares under the Domestic Share Offer notifies the Offeror in writing of such holder's bank account details for the purposes of accepting the Domestic Share Offer (the "**Domestic Share Funding Date**"),

in each case of (a) and (b), in connection with the acquisition by the Offeror of the Shares under the Offers, and the percentage of each Sponsor's shareholding interest in TopCo that shall become effective as of the H Share Funding Date and the Domestic Share Funding Date (following the allotment and issuance by TopCo, and the subscription by the Sponsors, of TopCo Shares on the H Share Funding Date and the Domestic Share Funding Date in accordance with Clauses 3.2 and 3.3, respectively) shall be calculated, based on the amount of each Sponsor's respective Committed Investment Amount relative to the Total Committed Investment Amount (the "**Contribution Ratio**").

- 2.6 Each Sponsor shall ensure that it has sufficient cash in immediately available funds in HK\$ in time for the Offeror to pay the aggregate consideration for the Tendered Shares tendered for acceptance in connection with the Offers, according to the Contribution Ratio and in accordance with this Agreement, the terms of the Offers and the requirements of the Takeovers Code or on such other date as agreed with the Executive.
- 2.7 Each Sponsor shall discharge its obligation of contribution as set out in this Agreement on a several but not joint (and not joint and several) basis and shall be solely responsible for all obligations and liabilities in relation to the arrangement in connection with its financial resources. Each Sponsor shall comply with the financial resources requirements under Rule 3.5 of and paragraph 11 of Schedule I to the Takeovers Code and provide letter(s) of credit or other financial proofs issued by the relevant financial institutions, or equity commitment letters or other funding proof, in form and substance reasonably satisfactory to the Financial Advisor. The expenses for issuing such letter(s) of credit, other relevant financial proofs, equity commitment letters or other funding proof (as the case may be) with respect to a Sponsor shall be solely borne by that Sponsor.
- 2.8 Each Party agrees to consult with the other Parties and to keep the other Parties fully informed of any relevant material developments in respect of the Transaction. Without limiting the generality of the foregoing, the Sponsors agree to procure the Receiving Agent to notify the Sponsors details of each batch of valid acceptances received under the Offers (including the total consideration payable to the shareholders of the Company in respect of such batch of valid acceptances) (the “**Acceptances Notification**”) as soon as reasonably practicable and at such interval as may be reasonably requested by any Sponsor.
- 2.9 Each Sponsor undertakes, to the extent permitted by applicable law, to provide the other Sponsor with reasonable prior notice of, and reasonable opportunity to:
- (a) participate in any meetings or telephone calls it may have with any Authority and shall keep the other Sponsor informed of any discussions it has with any Authority; and
 - (b) review and comment on any communication to be made by it to any Authority and shall provide the other Sponsor with a copy of the final version of any written submissions submitted by it to such Authority,
- insofar as such meetings, telephone calls or written submissions relate to the implementation of the Transaction and are reasonably expected to be relevant to the other Sponsor or the Offeror.
- 2.10 Each Sponsor agrees and undertakes to the other Sponsor that it shall:
- (a) supply (and shall, insofar as it is able to, procure its Affiliates to supply) such information (and provide related verification materials) as may be necessary to be included in the Transaction Documents and all related and ancillary documents and announcements;
 - (b) accept (and shall insofar as any of its Affiliates are required to, to procure any such Affiliates to accept) full responsibility for the accuracy of all statements of fact and opinion contained in the Transaction Documents (other than statements of fact and opinion which relate to the other Sponsor, such other Sponsor’s Affiliates or the Group) and all inferences which may be drawn from those statements; and
 - (c) not (save with the prior written consent of the other Sponsor) enter into, or offer to enter into, any arrangement or relationship which may create any concert party

relationship in connection with the Transaction (excluding (i) the existing concert party relationship amongst the Sponsors, (ii) any other current concert party relationship deemed by the Executive, or (iii) any new concert party relationship that may arise after the date of this Agreement as a result of such Sponsor or any of its Affiliates carrying out its or their ordinary course of business (including incorporating or forming new entities and private equity funds and making the relevant investments), provided that it does not result in any breach of the provisions under Clause 5.1).

- 2.11 Each Sponsor shall provide all such cooperation and coordination (and cause its respective Affiliates to provide cooperation and coordination) as may be reasonably requested by another Sponsor in order to satisfy the Pre-Condition or to obtain any other applicable governmental, statutory, regulatory or other Authorisations or approvals (including antitrust approvals, filings, and/or clearance, as applicable), waivers or exemptions required or, in the reasonable opinion of the Sponsors, desirable for or in connection with the consummation of the Transaction, and without limiting the generality of the foregoing, each of the Sponsors shall supply the other Sponsor (or cause the other to be supplied) with any information or documents that are required in order to make any required governmental, statutory, regulatory or other filings, provided that insofar as any such information or documents are competitively sensitive, such information or documents may be provided directly to the relevant Authorities or, if required, on an outside counsel-to-counsel basis, and in each case on a strictly confidential basis.

3. TOPCO OWNERSHIP AND SUBSCRIPTION OF TOPCO SHARES

- 3.1 The equity ownership of TopCo and the Offeror on and from the date of this Agreement and immediately prior to the H Share Funding Date shall be as follows:

- (a) Ocean Link shall hold 100% of the issued and fully-paid TopCo Shares; and
- (b) TopCo shall hold 100% of the issued and fully-paid shares in the Offeror.

- 3.2 On the H Share Funding Date, and subject to compliance by the respective Sponsor with its investment contribution and funding obligations under Clause 2, TopCo shall allot and issue to each Sponsor, and each Sponsor shall subscribe for, such number of fully-paid TopCo Shares equal to:

- (a) in respect of Ocean Link: (i) such Sponsor's Committed H Share Investment Amount divided by the final offer price per H Share under the H Share Offer, less (ii) the number of TopCo Shares held by Ocean Link immediately prior to the H Share Funding Date; and
- (b) in respect of Sequoia China, such Sponsor's Committed H Share Investment Amount divided by the final offer price per H Share under the H Share Offer,

(in each case, rounded down to the nearest whole number), free from Encumbrances and together with all rights attaching to them as at the H Share Funding Date.

- 3.3 On the Domestic Share Funding Date, and subject to compliance by the respective Sponsor with its investment contribution and funding obligations under Clause 2, TopCo shall allot and issue to each Sponsor, and each Sponsor shall subscribe for, such number of fully-paid TopCo Shares equal to:

- (a) in respect of Ocean Link, such Sponsor's Committed Domestic Share Investment Amount divided by the final offer price per H Share under the H Share Offer; and

- (b) in respect of Sequoia China, such Sponsor's Committed Domestic Share Investment Amount divided by the final offer price per H Share under the H Share Offer,

(in each case, rounded down to the nearest whole number), free from Encumbrances and together with all rights attaching to them as at the Domestic Share Funding Date.

- 3.4 Promptly on or following each of the allotments and issuances to the Sponsors as contemplated under Clauses 3.2 and 3.3, TopCo shall: (a) procure that such Sponsors are entered and registered as the relevant allottees and shareholders of TopCo in the register of members (or such other relevant register) of TopCo; and (b) complete and despatch to such relevant Sponsors certificates for such new TopCo Shares.

4. TRANSACTION COSTS

- 4.1 Each Sponsor agrees and confirms that the initial list of advisors engaged by the Sponsors, TopCo and/or the Offeror in connection with the Transaction as at the date of this Agreement is set out in Schedule 3 hereto, and any change to or termination of such advisors or their original scope of work, or engagement of any additional advisors for the Sponsors, TopCo and/or the Offeror in connection with the Transaction, after the date of this Agreement shall be approved by all of the Sponsors. The aggregate amount of the fees and expenses of advisors engaged by the Sponsors, TopCo and/or the Offeror in connection with the Transaction is referred to in this Agreement as the "**Consortium Advisor Expenses**".

- 4.2 If a Sponsor requires separate representation in connection with specific issues arising out of the Transaction, such Sponsor may retain other advisors to advise it, provided that it shall be solely responsible for the fees and expenses of such separate advisors retained by it (the "**Individual Advisor Expenses**"). For the avoidance of doubt, any fees and expenses of any advisor engaged pursuant to Clause 4.1 but in connection with its representation of or services provided to some but not all of the Sponsors only shall be deemed to constitute part of such Sponsor's Individual Advisor Expenses.

- 4.3 Subject to Clause 4.4, each Sponsor agrees to equally share, on a 50:50 basis, the costs, expenses, fees and disbursements incurred by the Sponsors for the benefit of Sponsors collectively as a consortium in connection with the Transaction (the "**Transaction Expenses**"), unless otherwise agreed by the Sponsors, and such Transaction Expenses shall:

- (a) include (subject to Clause 4.3(b)):
 - (i) the Consortium Advisor Expenses (but excluding any Sponsor's Individual Advisor Expenses); and
 - (ii) any reasonable costs, expenses, fees and disbursements incurred by TopCo and/or the Offeror (but not any Sponsor) arising from or in relation to the Transaction; and
- (b) exclude any costs, expenses, fees and disbursements incurred by any Sponsor exclusively for its own benefit and interests in connection with the Transaction, including, without limitation, in connection with the incorporation of any entity that holds such Sponsor's interests in TopCo or any entities holding interests (whether direct or indirect) in such Sponsor and such Sponsor's Individual Advisor Expenses,

provided that, if the Transaction is consummated, each Party shall, and shall procure its Affiliates who are shareholders of the Company to, vote their Shares or otherwise exercise their rights and powers in such a manner (including procuring their nominated directors in the

board of the Company to exercise their voting rights) to cause the Company to pay and/or reimburse the Sponsors (directly or indirectly), for all the Transaction Expenses.

- 4.4 If the Transaction is not consummated primarily due to the unilateral breach of this Agreement by one or more Sponsors, then the breaching Sponsor(s) shall be responsible to pay (a) the Transaction Expenses; (b) all out-of-pocket costs and expenses incurred by any non-breaching Sponsor, including the non-breaching Sponsor's Individual Advisor Expenses in connection with the Transaction, without prejudice to any rights and remedies otherwise available to such non-breaching Party; and (c) any other damages or losses incurred by any non-breaching Party, including any compensation which may have been made by a non-breaching Party to the Company or other persons, in connection with the Transaction.

5. RESTRICTED TRANSACTIONS

- 5.1 Each Sponsor agrees and undertakes to the other Sponsor that at any time before Completion or, as the case may be, the date on which the Offers are withdrawn or lapsed, save with the prior written consent of the other Sponsor and other than pursuant to the Shareholders' Agreement, it shall not (and shall procure that its Affiliates and parties acting in concert with it shall not), directly or indirectly, other than pursuant to this Agreement:

- (a) whether alone or with any other party, enter into any agreement, arrangement, understanding or obligation or be involved in any discussion or negotiation relating to any Restricted Transaction (whether or not legally binding or subject to any condition);
- (b) enter into any agreement, arrangement, understanding or obligation with respect to the holding, voting or disposition of any shares or other securities of any member of the Group (or any rights to subscribe for or options in respect of, or derivatives referenced to, any shares or other securities of any member of the Group); or
- (c) enter into, continue, solicit, facilitate or encourage any discussion, enquiry or proposal from, or discussions or negotiations with, any person whatsoever (other than the Parties and their respective Representatives) in relation to a Restricted Transaction, or solicit or assist any such person to enter into a Restricted Transaction.

- 5.2 For the purposes of this Clause 5, "**Restricted Transaction**" shall mean:

- (a) any special deal as contemplated under Rule 25 of the Takeovers Code;
- (b) the acquisition or disposal of, or the offer to acquire or dispose of (including the issue or grant of any option over) any interest in the Shares or other securities of any member of the Group;
- (c) the possible acquisition or disposal of all or any of the assets of a material amount of the Group, in each case other than in connection with the Offers; or
- (d) any involvement in any of the transactions referred to in Clause 5.2(a), (b) or (c).

- 5.3 For a period of six (6) months after the end of the offer period of the Offers, each Sponsor shall not and shall cause its Affiliates and parties acting in concert with it not to, without the prior written consent of the other Sponsor:

- (a) launch or allow it, its Affiliates or parties acting in concert with it to become obliged to launch an unsolicited general offer for the issued share capital of the Company; or

- (b) acquire any Shares, rights or options to acquire any Shares (or beneficial ownership thereof) or other voting rights in the Company at a price per H Share or Domestic Share that exceeds the final offer price for the H Share Offer or the Domestic Share Offer, respectively.
- 5.4 If any shareholder of the Company holding any Shares which are subject to the Offers seeks to sell such Shares to any Sponsor or any of its Affiliates within six (6) months after Completion (or such other period as the Sponsors may agree in writing) (the “**Post Completion Acceptances**”), the Sponsors agree that no Post Completion Acceptances shall be accepted by them or any of their Affiliates unless the following conditions are satisfied (or, in respect of paragraph (b) below, waived by the Sponsors in writing):
 - (a) the price per share paid to such shareholder under the Post Completion Acceptances shall not exceed the final offer price under the Offers; and
 - (b) the Shares under the Post Completion Acceptances shall be first offered to the Offeror, provided that the Sponsors may fund (indirectly through TopCo) the payment by the Offeror of the consideration for the Shares acquired under the Post Completion Acceptances and any related costs and expenses pursuant to the Shareholders Agreement.
- 5.5 If, pursuant to applicable law, any dealing by any Party (the “**Dealing Party**”) (or its Affiliates or parties acting in concert with it) in the securities of the Company results in the offer price for the Shares having to be increased, the Dealing Party shall be solely liable to pay any and all additional costs (including the increased consideration for the Offers) incurred by the Sponsors as a result of such increase in the offer price for the Shares.

6. ANNOUNCEMENT AND CONFIDENTIALITY

- 6.1 No announcement, communication or circular concerning the existence or the subject matter of this Agreement or any ancillary matter shall be made or issued by or on behalf of any Party without the prior written approval of the other Parties (such approval not to be unreasonably withheld or delayed). The foregoing sentence shall not affect any announcement, communication or circular concerning the existence or the subject matter of this Agreement if required by (i) any applicable law or regulation, or (ii) any Authority to which the disclosing Party is subject or submits (wherever situated), in which case the disclosing Party shall, prior to making or issuing such announcement, communication or circular:
 - (a) to the extent permitted by law and insofar as is reasonably practicable, first give notice to the other Parties of its intention to make such announcement, communication or circular; and
 - (b) take all such steps as may be reasonable and practicable in the circumstances to agree the contents of such announcement, communication or circular with the other Parties.
- 6.2 Subject to Clause 6.3, each Party shall treat as strictly confidential and shall not disclose to any other person any and all information (i) received or obtained as a result of entering into or performing this Agreement or the Transaction; (ii) which relates to the provisions, negotiations or subject matter of this Agreement or the Transaction; or (iii) which relates to the other Party or its Affiliates (collectively “**Confidential Information**”).
- 6.3 Notwithstanding the other provisions of this Clause 6, a Party may disclose or use Confidential Information which would otherwise be subject to the provisions of Clause 6.2 if and to the extent:

- (a) the disclosure or use is required by applicable law or any Authority or any legal proceeding or court order to which such Party is subject to or submits (whether or not the request for information has the force of law);
- (b) the disclosure or use is required by existing contractual obligations which it is subject to prior to the date of this Agreement (provided that it has informed the other Parties of such contractual obligations in writing before the execution of this Agreement);
- (c) Confidential Information is disclosed on a need to know and strictly confidential basis to its Affiliates or their respective Representatives or to any prospective purchaser of any Shares, provided that such recipients agree to be bound by equivalent confidentiality restrictions;
- (d) Confidential Information was lawfully in its possession or in the possession of any of its Affiliates or their respective Representatives;
- (e) Confidential Information is or becomes in the public domain through no fault of or breach of this Agreement by that Party or any of its Affiliates or their respective Representatives;
- (f) the other Parties have given prior written consent to the disclosure or use (such consent not to be unreasonably withheld or delayed);
- (g) Confidential Information was already in the possession of that Party or any of its Affiliates or their respective Representatives prior to disclosure thereof to it and not subject to any duty of confidentiality owed to the relevant disclosing party, or is independently developed by that Party or any of its Affiliates or their respective Representatives after the date of this Agreement;
- (h) the disclosure or use is required to enable that Party to perform this Agreement or enforce its rights under this Agreement or otherwise vest the full benefit of this Agreement in that Party;
- (i) in respect of Ocean Link, such disclosure is made by Ocean Link or its Affiliates to its existing or potential investors, partner or members in an investment fund managed or advised by Ocean Link Partners II, L.P. or any of its Affiliates; or
- (j) in respect of Sequoia China, such disclosure is made by Sequoia China or its Affiliates to its existing or potential investors, partners or members in an investment fund managed or advised by SC China Growth VI Management, L.P. or any of its Affiliates.

6.4 Without the written consent of Ocean Link, the Parties (other than Ocean Link) shall not use, or cause to be used, the name or brand of Ocean Link or its Affiliates, claim itself as a partner of Ocean Link or its Affiliates or make any similar representations. Without the written approval of Ocean Link, the Parties (other than Ocean Link) shall not make or cause to be made, any press release, public announcement or other disclosure to any third party in respect of this Agreement or Ocean Link's acquisition of shares or an interest in the TopCo, the Offeror or the Company.

6.5 Without the written consent of Sequoia China, the Parties (other than Sequoia China) shall not use, or cause to be used, the name or brand of Sequoia China or its Affiliate, claim itself as a partner of Sequoia China or its Affiliate or make any similar representations. Without the written approval of Sequoia China, the Parties (other than Sequoia China) shall not make or cause to be made, any press release, public announcement or other disclosure to any third

party in respect of this Agreement or Sequoia China's acquisition of shares or an interest in the TopCo, the Offeror or the Company.

- 6.6 The foregoing restrictions contained in this Clause 6 shall continue to apply after termination of this Agreement without limit in time.
- 6.7 Notwithstanding the foregoing in this Clause 6, the Parties hereby agree that: (a) this Agreement may be disclosed and may be made available for inspection on the website of the SFC pursuant to the requirements under the Takeovers Code; and (b) unless required by law, no Party shall be required to provide access to, or to disclose, any Confidential Information to the extent such access or disclosure would jeopardize the attorney-client or similar privilege of such Party or any of its Affiliates.
- 6.8 Each Party acknowledges that until the Announcement is released, details of the terms of the Offers may constitute inside information in respect of the Company and must be treated in the strictest confidence, a breach of which, or any dealing in securities of the Company, could constitute a civil and/or criminal offence under the insider dealing and/or market abuse provisions of the SFO and liable to sanction by the courts of Hong Kong.

7. REPRESENTATIONS AND WARRANTIES

- 7.1 Each Party represents, warrants and undertakes to the other Parties that at any time during the period starting from the date of this Agreement until Completion:
- (a) **Organization and Good Standing.** It is an entity duly organized and validly existing under the laws of its jurisdiction of formation, and it has the requisite power and authority to own, lease and operate its properties and to carry on its business as now conducted. It has not taken any action or commenced any legal or administrative proceedings for winding up, dissolution, bankruptcy or liquidation.
 - (b) **Authorization and Consents.** It has full power and authority to enter into this Agreement, and this Agreement, when executed and delivered by or on behalf of it and assuming due authorisation, execution and delivery thereof by the other Parties, will constitute its valid and legally binding obligation, enforceable in accordance with its terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally; and (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies. It has obtained all consents and approvals of, and made all filings or registrations with, any government authority necessary in connection with the execution and delivery by it of this Agreement.
 - (c) **No Violation.** The execution, delivery and performance by it of this Agreement does not (i) conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default or require any consent under, any indenture, mortgage, agreement or other instrument or arrangement to which it is a party or by which it is bound; (ii) violate any of the terms or provisions of its constitutional documents; or (iii) violate any judgment, decree or order or any statute, law, rule or regulation applicable to it.
 - (d) **Litigation.** No litigation, claim or other proceeding before any Authority is pending or to its knowledge threatened against it, its officers or its directors that, if determined adversely to it, would materially impair its ability or obligation to perform fully on a timely basis its obligations under this Agreement.

- (e) **Compliance with Laws.** It has complied, and will comply, with all applicable laws and regulations (including without limitation, the SFO, the Listing Rules and the Takeovers Code) in connection with the Transaction or any transaction contemplated under this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Shares, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained and (iv) the income tax and other consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Shares. Its offer to acquire and payment for its beneficial ownership in the Shares will not violate any applicable securities or other laws of its jurisdiction. It will produce and execute such documents as requested by the Stock Exchange, the SFC or other Authorities, as well as any other documents required under applicable legal and regulatory requirements for implementing the Transaction and the transactions contemplated under this Agreement on terms and conditions set out in the Announcement and the Transaction Documents, and will amend these documents according to any legal and regulatory requirements implemented from time to time until the Transaction satisfies all the legal and regulatory requirements.
- (f) **No Purchase of Shares.** None of it, its Affiliates and parties acting in concert with it has purchased any H Shares or Domestic Shares at a price higher than the offer price for the H Share Offer or the Domestic Share Offer, respectively as set out in the Announcement within six (6) months prior to the date of this Agreement or during the offer period in respect of the Offers.
- (g) **No Insider Trading or Market Abuse.** None of it, its Affiliates and parties acting in concert with it has participated in any dealings of or transactions in relation to the Shares that constitutes a violation by such person of applicable law prohibiting “insider trading” or “market misconduct” including the insider dealing and/or market abuse provisions of the SFO.

7.2 Each of TopCo and the Offeror jointly and severally represents, warrants and undertakes to Ocean Link and Sequoia China that at any time during the period starting from the date of this Agreement until the H Share Funding Date:

- (a) immediately prior to the H Share Funding Date, each of TopCo and the Offeror has no assets and liabilities save for the paid-in capital thereof as of the date of this Agreement and liabilities incurred solely in connection with the Transaction (including costs incurred under this Agreement), and does not carry on any business other than transactions contemplated by this Agreement and the Transaction Documents;
- (b) subject to the satisfaction of the Pre-Conditions and the Conditions, the TopCo Shares to be issued to each Sponsor in accordance with Clause 3.2:
 - (i) will be or are fully paid and clear of all Encumbrances, and together with all rights attaching to them as at the H Share Funding Date; and
 - (ii) will have been or are duly authorised for issuance by all necessary action on the part of TopCo and when issued and delivered to the Sponsors will have been or are validly issued, fully paid, and will not have been or are not issued in violation or breach of or in conflict with (x) any judgment, decree or order or any statute, law, rule or regulation applicable to TopCo; or (y) any provision of TopCo’s constitutional documents; and

- (c) no action material to the Transaction has been taken by TopCo or the Offeror without the unanimous consent of the Sponsors, unless expressly agreed in or required by this Agreement or otherwise required by applicable laws.

7.3 Between the date of this Agreement and the date of Completion, each Party will notify the other Parties in writing promptly and setting out full details if it becomes aware:

- (a) that there has been any breach of the representations, warranties and undertakings provided by it in Clauses 7.1 and 7.2; or
- (b) it becomes aware of any fact or circumstance which results or is reasonably expected to result in any of the representations, warranties and undertakings provided by it in Clauses 7.1 and 7.2 to be breached.

7.4 Each Party acknowledges that the other Parties have entered into this Agreement on the basis of and reliance upon (among other things) the representations, warranties and undertakings in this Clause 7 and have been induced by them to enter into this Agreement.

8. EXCLUSIVITY

8.1 During the period beginning on the date of this Agreement and ending on the earliest of (i) the termination of this Agreement pursuant to Clause 9; and (ii) six (6) months after the date of this Agreement if the Announcement is not made within six (6) months following the date of this Agreement, each Party agrees to the other Parties that, save with the prior written consent of the other Parties, it shall, and shall procure that its Affiliates shall:

- (a) work exclusively with the other Sponsor and their Affiliates to implement the Transaction, including to evaluate the Company and its business, prepare, finalise and execute the transaction documentation in relation to the Transaction;
- (b) not, whether alone or jointly with one or more person, directly or indirectly, (i) acquire or offer or agree to acquire any securities, assets, or rights to acquire any securities or assets of the Company; (ii) sell, transfer, charge, encumber, grant any option over or otherwise deal in any securities of the Company or engage in any hedging transactions relating to the securities of the Company; (iii) seek or propose to influence or control the management or policies of the Company, or make or participate in any solicitation of proxies to vote any securities of the Company; or (iv) encourage, solicit or entertain proposals from, or engage in negotiations or discussions with, the Company or any other person regarding any of the actions described in (i), (ii) or (iii) above;
- (c) immediately cease and terminate, and cause to be ceased and terminated, any discussions, negotiations, communications or other activities with any parties that may be ongoing with respect to any of the actions described in paragraph (b)(i), (ii) or (iii) above; and
- (d) promptly notify the other Parties in writing if it or, to its best knowledge after due inquiry, any of its Affiliates receives any approach or communication with respect to any of the actions described in paragraph (b)(i), (ii) or (iii) above, including the other persons involved and the nature and content of the approach or communication, to the extent permitted by applicable law and would not (or would not be reasonably expected to) result in any contravention of obligations by which such Party or its Affiliates are bound.

9. TERMINATION

- 9.1 This Agreement (other than the Surviving Provisions which shall remain in full force and effect) shall terminate upon the earliest to occur of: (a) a written agreement among all Parties to terminate this Agreement; (b) the date on which the Offers have been withdrawn or lapsed; and (c) the Completion.
- 9.2 Upon the termination of this Agreement under Clause 9.1, all obligations of the Parties under this Agreement (other than the Surviving Provisions which shall remain in full force and effect) shall cease and terminate and none of the Parties shall have any claim against the other Parties save for any rights accrued before termination, provided further that (i) the Sponsors shall fund such proportion of Transaction Expenses in accordance with Clause 4.3, and (ii) the breaching Sponsor(s) shall be responsible to pay the fees, costs, expenses, damages and losses in accordance with Clause 4.4.

10. GENERAL PROVISIONS

- 10.1 Unless expressly provided otherwise in this Agreement, the obligations of each Party under this Agreement are several (and not joint or joint and several).
- 10.2 Nothing in this Agreement shall be deemed to constitute a partnership between the Parties, nor constitute any of them the agent of the other Parties or otherwise entitle a Party to bind the other Parties for any purpose.
- 10.3 Each of the Parties confirms that it has received independent legal advice relating to all matters provided for in this Agreement and agrees that the provisions of this Agreement are fair and reasonable.
- 10.4 The Parties do not intend that any term of this Agreement shall be enforceable, by virtue of the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong), by any person who is not a party to this Agreement. Notwithstanding any term or provision of this Agreement, the right of the Parties to rescind or terminate this agreement or to agree to a variation, release and/or waiver of this Agreement is not subject to the consent of any other person who is not a party to this Agreement.
- 10.5 Any time, date or period referred to in this Agreement may be extended by mutual agreement in writing between the Parties (but, as regards any time, date or period originally fixed or any time, date or period so extended, time shall be of the essence).
- 10.6 This Agreement shall be binding on and inure for the benefit of the successors of each of the Parties, but the Parties may not assign, grant any security interest, hold on trust or otherwise transfer all or any of their rights and obligations under this Agreement without the prior written consent of the other Parties.
- 10.7 No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the Parties. The expression “**variation**” shall, in each case, include any variation, supplement, deletion or replacement however effected.
- 10.8 Any waiver of any right or default under this Agreement shall be effective only in the instance given and shall not operate as or imply a waiver of any other or similar right or default on any subsequent occasion. No waiver of any provision of this Agreement will be effective unless it is granted in writing and signed by the Party granting the waiver.
- 10.9 Any delay by any Party in exercising, or failure to exercise, any right or remedy under this Agreement shall not constitute a waiver of the right or remedy (or a waiver of any other rights

or remedies) and no single or partial exercise of any rights or remedy under this Agreement or otherwise shall prevent any further exercise of the right or remedy (or the exercise of any other right or remedy).

- 10.10 Each of the Parties undertakes to the other Parties that it will do all such acts and things and execute all such deeds and documents as may be necessary to carry into effect or to give legal effect to the provisions of this Agreement and the transactions contemplated hereunder, whether before or after Completion.
- 10.11 The rights and remedies of the Parties under this Agreement are not exclusive of any rights or remedies provided by applicable law.
- 10.12 This Agreement contains the whole agreement and understanding between the Parties relating to the transactions contemplated by this Agreement to the exclusion of any terms implied by applicable law which may be excluded by contract and supersedes all previous agreements, understandings or arrangements (whether oral or written) between the Parties relating to such transactions.
- 10.13 Each of the Parties acknowledges that (in agreeing to enter into this Agreement) it has not relied on any representation, warranty, collateral contract, undertaking or other assurance (except those expressly set out in this Agreement) made by or on behalf of the other Parties before the execution of this Agreement (including during the course of negotiating this Agreement). Each of the Parties waives all rights and remedies which, but for this Clause 10.13, might otherwise be available to it in respect of any such representation, warranty, collateral contract, undertaking or other assurance (provided that nothing in this Clause 10.13 shall limit or exclude any liability for fraud or fraudulent misrepresentation).
- 10.14 If at any time any provision of this Agreement shall be held to be illegal, void, invalid or unenforceable in whole or in part under any applicable law or regulation in any jurisdiction, then:
- (a) the Parties shall use all reasonable efforts to modify such provision as is necessary so that the provision is legal, valid and enforceable and gives effect, as closely as possible, to the intentions of the Parties under this Agreement;
 - (b) to the extent that it is not possible to delete or modify the provision (in whole or in part), such provision shall (in whole or in part):
 - (i) be given no effect and shall be deemed not to form part of this Agreement;
 - (ii) not affect or impair the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; and
 - (iii) not affect or impair the legality, validity or enforceability under the laws or regulations of any other jurisdiction of such provision or any other provision of this Agreement.
- 10.15 Notwithstanding anything in this Agreement or any document or instruments delivered in connection herewith, each other Party covenants, agrees and acknowledges that no person other than Ocean Link and its successors and permitted assigns shall have any obligation hereunder or in connection with the transactions contemplated hereby and that no person has any rights of recovery against, and no recourse hereunder or under any documents or instruments delivered in connection herewith, or in respect of any written or oral representations made or alleged to have been made in connection herewith or therewith, whether at law, in equity, in contract, in tort or otherwise, shall be had against, any former,

current or future direct or indirect holders of any equity, general or limited partnership or limited liability company interest, controlling persons, management companies, portfolio companies, incorporators, directors, officers, employees, agents, attorneys, Affiliates, members, managers, general or limited partners, stockholders, representatives, successors or assignees of Ocean Link or any former, current or future direct or indirect holders of any equity, general or limited partnership or limited liability company interest, controlling persons, management companies, portfolio companies, incorporators, directors, officers, employees, agents, attorneys, Affiliates, members, managers, general or limited partners, stockholders, representatives, successors or assignees of any of the foregoing (but not including Ocean Link, or its successors or permitted assigns hereunder, or TopCo or the Offeror) (collectively, the "**OL Related Parties**", and each, a "**OL Related Party**"), whether by or through attempted piercing of the corporate veil, by or through a claim (whether at law or equity in tort, contract or otherwise) against any OL Related Party, by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any applicable law, or otherwise.

- 10.16 Notwithstanding the foregoing, the Parties acknowledge and agree that: (a) the name "Sequoia" or "Sequoia Capital" is commonly used to describe a variety of entities (collectively, the "**Sequoia Entities**") that are affiliated by ownership or operational relationship and engaged in a broad range of activities related to investing and securities trading; and (b) notwithstanding any other provision of this Agreement to the contrary, this Agreement shall not be binding on, or restrict the activities of, any (i) Sequoia Entity outside of the Sequoia China Sector Group, (ii) entity primarily engaged in investment and trading in the secondary securities market; (iii) the ultimate beneficial owner of an Sequoia Entity (or its general partner or ultimate general partner) who is a natural Person, and such Person's relatives (including but without limitation, such Person's spouse, parents, children, siblings, mother-in-law and father-in-law and brothers and sisters-in-law), (iv) any officer, director or employee of a Sequoia Entity (or its general partner or ultimate general partner) and such Person's relatives, (v) for the avoidance of doubt, any portfolio companies of any Sequoia Entity and portfolio companies of any affiliated investment fund or investment vehicle of any Sequoia Entity, and (vi) to the extent not already covered under (i) to (v) above, any former, current or future direct or indirect holders of any equity, general or limited partnership or limited liability company interest, controlling persons, management companies, portfolio companies, incorporators, directors, officers, employees, agents, attorneys, Affiliates, members, managers, general or limited partners, stockholders, representatives, successors or assignees of Sequoia China or any former, current or future direct or indirect holders of any equity, general or limited partnership or limited liability company interest, controlling persons, management companies, portfolio companies, incorporators, directors, officers, employees, agents, attorneys, Affiliates, members, managers, general or limited partners, stockholders, representatives, successors or assignees of any of the foregoing (but not including Sequoia China, or its successors or permitted assigns hereunder) (collectively, the "**Sequoia China Related Parties**", and each, a "**Sequoia China Related Party**"), and no recourse hereunder or under any documents or instruments delivered in connection herewith, or in respect of any written or oral representations made or alleged to have been made in connection herewith or therewith, whether at law, in equity, in contract, in tort or otherwise, shall be had against any Sequoia China Related Party whether by or through attempted piercing of the corporate veil, by or through a claim (whether at law or equity in tort, contract or otherwise) against any Sequoia China Related Party, by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any applicable law, or otherwise. For purposes of the foregoing, the "Sequoia China Sector Group" means all Sequoia Entities (whether currently existing or formed in the future) that are principally focused on companies located in, or with connections to, the PRC that are exclusively managed by Sequoia Capital.

11. NOTICES

11.1 Any notice or other communication to be given under or in connection with this Agreement (a “**Notice**”) shall be in writing in English and delivered or sent to the Parties as per the addresses and contact particulars stated in Schedule 1 hereto (in the case of the Sponsors) and Clause 11.2 (in the case of TopCo and the Offeror), or per such other address and contact particulars as the relevant Party may have notified to the other Parties in accordance with this Clause 11.

11.2 The Notice details of TopCo and the Offeror shall be as follows:

(a) TopCo:

Address: c/o Maples Corporate Services Limited, PO Box 309, Umland House, Grand Cayman, KY1-1104, Cayman Islands

with a copy to:

c/o Ocean Link Asia Limited, Room 1220, Unit 02A, 12/F, International Commerce Centre, 1 Austin Road, West Kowloon, Hong Kong

Attention: The Directors

Fax: +852 3421 0430

E-mail: tony.jiang@oceanlp.com

(b) The Offeror:

Address: Room 303, 3rd Floor, St. George’s Building, 2 Ice House Street Central, Hong Kong

Attention: The Directors

Fax: +852 3421 0430

E-mail: tony.jiang@oceanlp.com

11.3 In the absence of evidence of earlier receipt, any Notice served in accordance with this Clause 11 shall be deemed given and received: (a) in the case of personal delivery by hand or courier, at the time of delivery at the address referred to in Clause 11.1; (b) in the case of email, at the time it leaves the email gateway of the sender (subject to confirmation that the sender did not receive a message that the email was undeliverable, which may be satisfied by producing a certificate signed by an authorised and qualified representative of the sender); and (c) upon delivery by registered or certified mail (return receipt requested), postage prepaid.

12. LANGUAGE

12.1 Each notice, demand, request, statement, instrument, certificate or other communication under or in connection with this Agreement shall be:

(a) in English; or

(b) if not in English, accompanied by an English translation certified to be accurate by an officer of the Party giving the communication.

12.2 The receiving Party shall be entitled to assume the accuracy of and rely upon any English translation of any document provided pursuant to Clause 12.1(b).

12.3 If this Agreement is translated into any language other than English, the English language text shall prevail.

13. COUNTERPARTS

This Agreement may be executed in counterparts, and by the Parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement, but the counterparts shall together constitute one and the same instrument.

14. GOVERNING LAW AND ARBITRATION

14.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter shall be governed by, and construed in accordance with, Hong Kong law.

14.2 Any dispute, controversy, claim, actions and proceedings arising out of, relating to or in connection with this Agreement or its subject matter (including a dispute regarding the existence, validity, formation, effect, interpretation, performance or termination of this Agreement) shall be referred to and finally resolved by arbitration.

14.3 The arbitration shall be conducted as follows:

- (a) the place of arbitration shall be in Hong Kong at the HKIAC;
- (b) the arbitration proceedings shall be conducted in English;
- (c) the HKIAC Administered Arbitration Rules (the “**HKIAC Rules**”) in force when the Notice of Arbitration is submitted in accordance with the HKIAC Rules, as may be amended by this Clause, shall apply;
- (d) there shall be three arbitrators for any such arbitration. The submitting Party shall nominate one arbitrator, and the responding Party shall nominate one arbitrator, in each case, within thirty (30) days after the submission of the Notice of Arbitration. Both arbitrators shall agree on the third arbitrator within thirty (30) days thereafter. Should either Party fail to appoint an arbitrator within such thirty (30) day period or should the two (2) arbitrators fail, within such thirty (30) day period, to reach agreement on the third arbitrator, such arbitrator(s) shall be appointed by the HKIAC;
- (e) an award by the HKIAC shall be final and conclusive and binding upon the Parties and the Parties waive irrevocably any rights to any form of appeal, review or recourse; and
- (f) judgment upon the award rendered may be entered in any court having jurisdiction and the Parties submit to the non-exclusive jurisdiction of the Hong Kong courts for this purpose.

14.4 Process by which any proceedings are begun may be served on Ocean Link by being served on Ocean Link Asia Limited as its agent with address at Room 1220, Unit 02A, 12/F, International Commerce Centre, 1 Austin Road, West Kowloon, Hong Kong.

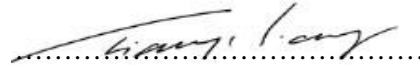
14.5 Process by which any proceedings are begun may be served on Sequoia China by being served on Sequoia Capital China Advisors (Hong Kong) Limited as its agent with address at 3613, 36/F, Two Pacific Place, 88 Queensway, Hong Kong.

- 14.6 Process by which any proceedings are begun may be served on TopCo by being served on Ocean Link Asia Limited as its agent with address at Room 1220, Unit 02A, 12/F, International Commerce Centre, 1 Austin Road, West Kowloon, Hong Kong.
- 14.7 The Parties agree that the documents which start any proceedings and any other documents required to be served in relation to those proceedings may be served on the relevant Party in accordance with Clause 11. These documents may, however, be served in any other manner allowed by applicable law.

[The rest of this page is intentionally left blank; Signature pages follow]

This Agreement has been executed on the date and year first above written.

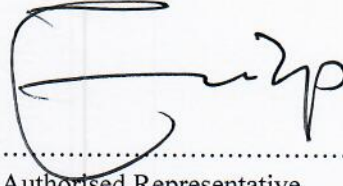
SIGNED by Tianyi JIANG)
for and on behalf of)
OCEAN KUNPENG HOLDING LIMITED)

A handwritten signature in black ink, appearing to read 'Tianyi Jiang', is written over a horizontal dotted line.

Authorised representative

This Agreement has been executed on the date and year first above written.

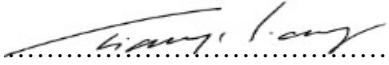
SIGNED by Ip Siu Wai Eva)
for and on behalf of)
SCC GROWTH VI HOLDCO I, LTD.)

A handwritten signature in black ink, appearing to read 'Ip Siu Wai Eva', written over a horizontal dotted line.

Authorised Representative

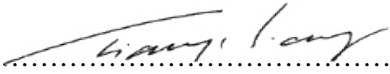
This Agreement has been executed on the date and year first above written.

SIGNED by Tianyi JIANG)
for and on behalf of)
OCEAN KUNPENG LIMITED)


.....
Authorised representative

This Agreement has been executed on the date and year first above written.

SIGNED by Tianyi JIANG)
for and on behalf of)
KUNPENG ASIA LIMITED)


.....
Authorised representative

Schedule 1

LIST OF SPONSORS AND COMMITTED INVESTMENT AMOUNTS

Part A: Committed H Share Investment Amount

<u>Names, Address and Contact Particulars</u>	<u>Committed H Share Investment Amount (HK\$)</u>
<p>OCEAN KUNPENG HOLDING LIMITED</p> <p>Address: PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands</p> <p>Copy to: c/o Ocean Link Asia Limited, Room 1220, Unit 02A, 12/F, International Commerce Centre, 1 Austin Road, West Kowloon, Hong Kong</p> <p>Attention: The Directors Fax: +852 3421 0430 E-mail: tony.jiang@oceanlp.com</p>	HK\$322,400,000
<p>SCC GROWTH VI HOLDCO I, LTD.</p> <p>Address: PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands</p> <p>Copy to: c/o Sequoia Capital China Advisors (Hong Kong) Limited, 3613, 36/F, Two Pacific Place, 88 Queensway, Hong Kong</p> <p>Attention: Mimi Yang, Mike Wan and Tina Sun Fax: (852) 2501 5249 E-mail: myang@sequoiacap.com, mwan@sequoiacap.com, and tsun@sequoiacap.com</p>	HK\$692,850,000
Total:	HK\$1,015,250,000

Part B: Committed Domestic Share Investment Amount

<u>Names, Address and Contact Particulars</u>	<u>Committed Domestic Share Investment Amount</u> <u>(HK\$)</u>
<p>OCEAN KUNPENG HOLDING LIMITED</p> <p>Address: PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands</p> <p>Copy to: c/o Ocean Link Asia Limited, Room 1220, Unit 02A, 12/F, International Commerce Centre, 1 Austin Road, West Kowloon, Hong Kong</p> <p>Attention: The Directors Fax: +852 3421 0430 E-mail: tony.jiang@oceanlp.com</p>	HK\$158,100,000
<p>SCC GROWTH VI HOLDCO I, LTD.</p> <p>Address: PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands</p> <p>Copy to: c/o Sequoia Capital China Advisors (Hong Kong) Limited, 3613, 36/F, Two Pacific Place, 88 Queensway, Hong Kong</p> <p>Attention: Mimi Yang, Mike Wan and Tina Sun Fax: (852) 2501 5249 E-mail: myang@sequoiacap.com, mwan@sequoiacap.com, and tsun@sequoiacap.com</p>	HK\$337,900,000
Total:	HK\$496,000,000

Schedule 2

FORM OF ANNOUNCEMENT

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

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

Kunpeng Asia Limited

(A company incorporated in Hong Kong with limited liability)



Zhejiang New Century Hotel Management Co., Ltd.
浙江開元酒店管理股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 1158)

JOINT ANNOUNCEMENT

**PRE-CONDITIONAL VOLUNTARY CONDITIONAL OFFER BY UBS
ON BEHALF OF THE OFFEROR
FOR ALL THE ISSUED H SHARES IN
ZHEJIANG NEW CENTURY HOTEL MANAGEMENT CO., LTD.
(OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE
ACQUIRED BY THE OFFEROR
AND THE OFFEROR CONCERT PARTIES WHO HAVE UNDERTAKEN NOT TO
ACCEPT THE H SHARE OFFER)**

**PRE-CONDITIONAL VOLUNTARY CONDITIONAL OFFER BY THE OFFEROR
FOR ALL THE ISSUED DOMESTIC SHARES IN
ZHEJIANG NEW CENTURY HOTEL MANAGEMENT CO., LTD.
(OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE
ACQUIRED BY THE OFFEROR
AND THE OFFEROR CONCERT PARTIES WHO HAVE UNDERTAKEN NOT TO
ACCEPT THE DOMESTIC SHARE OFFER)**

**PROPOSED WITHDRAWAL OF LISTING OF THE H SHARES OF
ZHEJIANG NEW CENTURY HOTEL MANAGEMENT CO., LTD.**

**[RESUMPTION OF TRADING IN H SHARES OF
ZHEJIANG NEW CENTURY HOTEL MANAGEMENT CO., LTD.]**

Financial Adviser to the Offeror



1. INTRODUCTION

On [*] 2021 ([before/after] trading hours), the Board received a letter from the Offeror that, subject to the satisfaction of the Pre-Condition, voluntary conditional offers will be made by the Offeror for the H Shares and the Domestic Shares other than those owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the Offers in accordance with the Takeovers Code which, if implemented, will result in the Delisting.

2. PRE-CONDITION TO THE OFFERS AND DELISTING

The making of the Offers and the proceeding with the Delisting are subject to the satisfaction of the Pre-Condition that, with respect to anti-trust review of the transactions contemplated under the Offers and the Delisting in the PRC under the Anti-Monopoly Law of the PRC, the approval from SAMR having been obtained without any conditions being imposed pursuant to the Anti-Monopoly Law of the PRC or no objection having been raised by SAMR pursuant to the statutory clearance period under the Anti-Monopoly Law of the PRC. The Pre-Condition cannot be waived in any event.

The Offeror and the Company will issue a further announcement as soon as practicable after the Pre-Condition has been satisfied. If the Pre-Condition is not satisfied on or before the Pre-Condition Long Stop Date, the Offers will not be made and the Delisting will not proceed, and the Shareholders will be notified by a further announcement as soon as practicable thereafter.

Pursuant to the Anti-Monopoly Law of the PRC, the statutory clearance period will take 30 days after SAMR's official acceptance for the filing, and another 90 days if SAMR decides to take further review on the filing. In addition, the review period would be extended to another 60 days by SAMR's written notice for extension. The Offeror will proceed with the relevant filing as soon as reasonably practicable after the date of this joint announcement.

WARNING: The Pre-Condition must be satisfied before the making of the Offers. The making of the Offers and proceeding with the Delisting are therefore a possibility only and all references to the Offers and the Delisting in this joint announcement are references to the possible Offers and the possible Delisting, which will be implemented if and only if the Pre-Condition is satisfied. Even if the Pre-Condition is satisfied and the Offers are made, the Offers are conditional upon the satisfaction (or, where applicable, waiver) of the conditions as described in this joint announcement in all aspects. Accordingly, the Offers may or may not become unconditional and the issue of this joint announcement does not imply that the Offers or the Delisting will be completed. Accordingly, Shareholders and potential investors should 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 licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

3. CONSIDERATION FOR THE OFFERS

The H Share Offer will be made by UBS on behalf of the Offeror on the following basis:

For each H Share HK\$18.15 in cash

The Domestic Share Offer will be made by the Offeror on the following basis:

For each Domestic Share RMB[*] in cash*

** equivalent of the H Share offer price in RMB based on an exchange rate of HK\$1 = RMB[*], being the exchange rate announced by the People's Bank of China on the date of this joint announcement.*

The Offeror will not increase the consideration for the Offers as set out above and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the consideration for the Offers.

As at the date of this joint announcement, other than the Shares, the Company does not have any other outstanding convertible securities, options, warrants or derivatives in issue which confer any right to subscribe for, convert or exchange into Domestic Shares, H Shares or Unlisted Foreign Shares and/or rights over the Domestic Shares, H Shares or Unlisted Foreign Shares in issue.

4. CONDITIONS OF THE OFFERS

The H Share Offer is subject to the fulfilment or waiver, as applicable, of the following conditions:

- (a) the passing by the Independent H Shareholders at the H Share Class Meeting to be convened for this purpose of a resolution approving the Delisting, provided that:
 - (i) approval is given by at least 75% of the votes attaching to the H Shares held by the Independent H Shareholders that are cast either in person or by proxy; and
 - (ii) the number of votes cast, by way of poll, against the resolution is not more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders;
- (b) the passing by the Independent H Shareholders at the EGM to be convened for this purpose of a resolution approving the Delisting, provided that:
 - (i) approval is given by at least 75% of the votes attaching to the Shares held by the Independent H Shareholders that are cast either in person or by proxy; and
 - (ii) the number of votes cast, by way of poll, against the resolution is not more than 10% of the votes attaching to all the Shares held by the Independent H Shareholders;

- (c) minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date amounting to at least 90% of the H Shares held by the Independent H Shareholders;
- (d) all necessary authorisations, consents and approvals (including approval in-principle) of any government or governmental or regulatory body or court or institution in relation to the Delisting and the Offers (including the implementation thereof) having been obtained, and remaining in full force and effect and not having been revoked or rescinded pursuant to the provisions of any laws or regulations in Hong Kong, the PRC and other relevant jurisdictions;
- (e) all necessary third party consents in relation to the Delisting and the Offers, pursuant to any agreement to which the Company or any of its subsidiaries is a party, where any failure to obtain such consent would have a material adverse effect on the business of the Group taken as a whole, having been waived or obtained and remaining in full force and effect and not having been revoked or rescinded by the relevant party(ies);
- (f) no event having occurred which would have a material adverse effect on the legal ability of the Offeror to proceed with or consummate the Delisting or the Offers;
- (g) no event having occurred which would make the Delisting or the Offers void, unenforceable or illegal or which would restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to, the Delisting or the Offers or any part thereof;
- (h) (i) the receipt of an opinion from the independent financial adviser to the Independent Board Committee confirming that the Shareholders Arrangement is fair and reasonable; (ii) the passing of an ordinary resolution by the Independent H Shareholders at the EGM to approve the Shareholders Arrangement under the Takeovers Code; and (iii) the consent from the Executive to the Shareholders Arrangement pursuant to Rule 25 of the Takeovers Code; and
- (i) the granting of the waiver by the Executive from the requirements under Rule 2.2(c) and Rule 20.1 of the Takeovers Code.

The Offeror reserves the right to waive any of the conditions set out above (except for the conditions referred to in paragraphs (a), (b), (c), (d), (e), (h) and (i) above) in whole or in part. The Company does not have the right to waive any of the conditions set out above.

The Domestic Share Offer is subject to the H Share Offer becoming or being declared unconditional in all respects. This condition cannot be waived in any event.

5. SPECIAL DEAL IN RELATION TO THE SHAREHOLDERS ARRANGEMENT

On [*] 2021, the Chen Group, Kaihui Taiheng, OC Hotels, NC Hotels Investment, Ouling Bohui, CTrip Hong Kong, the Offeror and the Company entered into the Company Shareholders' Agreement in respect of the governance of the Company, which is intended to take full effect on the date that is 4 business days after the date that the H Share Offer becomes unconditional in all respects. The Chen Group, Kaihui Taiheng,

OC Hotels, NC Hotels Investment, Ouling Bohui, CTrip Hong Kong are Offeror Concert Parties by virtue of being parties to the Company Shareholders' Agreement.

As the Shareholders Arrangement is available only to the Chen Group, Kaihui Taiheng, OC Hotels, NC Hotels Investment, Ouling Bohui and CTrip Hong Kong, and is not offered to all Shareholders, the Shareholders Arrangement constitutes a special deal under Rule 25 of the Takeovers Code and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror will make an application to the Executive for its consent to the Shareholders Arrangement, and such consent, if granted, will be conditional on (i) an opinion from the independent financial adviser to the Independent Board Committee confirming that the Shareholders Arrangement is fair and reasonable; and (ii) the passing of an ordinary resolution by the Independent H Shareholders at the EGM to approve the Shareholders Arrangement under the Takeovers Code.

6. NO RIGHT OF COMPULSORY ACQUISITION

The Offeror has no rights under the laws of the PRC and the Articles of Association of the Company to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the H Share Offer. Accordingly, the Independent H Shareholders are reminded that if they do not accept the H Share Offer and the H Share Offer subsequently becomes unconditional in all respects, and the H Shares are delisted from the Stock Exchange, this will result in the Independent H Shareholders holding securities that are not listed on the Stock Exchange and the liquidity of the H Shares may be severely reduced. In addition, the Company will no longer be subject to the requirements under the Listing Rules and may or may not continue to be subject to the Takeovers Code after completion of the Offers depending on whether it remains as a public company in Hong Kong for the purposes of the Takeovers Code thereafter.

Independent H Shareholders should also note that if they do not agree to the terms of the Offers, they can vote against the Delisting at the H Share Class Meeting and/or the EGM. If the number of votes cast, by way of poll, against the Delisting at the H Share Class Meeting is more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders, or if the number of votes cast, by way of poll, against the Delisting at the EGM is more than 10% of the votes attaching to all the Shares held by the Independent H Shareholders, the Offers would not become unconditional and the Company would remain listed on the Stock Exchange.

7. WITHDRAWAL OF LISTING OF THE H SHARES

Upon the H Share Offer becoming unconditional, the Company will make an application for the Delisting in accordance with Rule 6.12 of the Listing Rules. Shareholders will be notified by way of an announcement of the dates for the last day for dealing in the H Shares and on which the Delisting will become effective.

8. [RESUMPTION OF TRADING IN THE H SHARES

At the request of the Company, trading in the H Shares on the Stock Exchange has been halted from 9:00 a.m. on [*] 2021 pending the release of this joint announcement.

Application has been made by the Company to the Stock Exchange for resumption of trading in the H Shares on the Stock Exchange with effect from 9:00 a.m. on [*] 2021.]

The Offers are conditional upon the satisfaction (or, where applicable, waiver) of the conditions as described in this joint announcement in all aspects. Accordingly, the Offers may or may not become unconditional and the issue of this joint announcement does not imply that the Offers or the Delisting will be completed. Shareholders and/or potential investors of the Company should therefore exercise caution when dealing in the securities of the Company (including H Shares and any options or rights in respect of them). Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

Notice to the holders of H Shares in the United States

The H Share Offer is subject to Hong Kong disclosure and procedural requirements, including with respect to offer timetable, settlement procedures, timing of payments and withdrawal rights, which are different from those applicable to tender offers carried out in the United States. In the absence of a relevant exemption under the laws of the United States, the H Share Offer may not be available to persons who are in the United States. Even where an exemption is available, persons in the United States are urged, before accepting the H Share Offer, to consult their own professional advisers regarding the tax consequences of acceptance of the H Share Offer, whether in relation to United States federal income tax or taxes under applicable state and local tax laws, or foreign tax laws.

The financial information of the Company has been extracted from the audited financial statements of the Company for the three years ended 31 December 2019 and the unaudited financial statements of the Company for the six months ended 30 June 2020, which have been prepared in accordance with the International Financial Reporting Standards, which may not be wholly comparable to financial information of United States companies or companies whose financial statements are solely prepared in accordance with generally accepted accounting principles in the United States.

The Company is incorporated under the laws of the People's Republic of China. It may be difficult for holders of H Shares in the United States to enforce their rights and claims arising out of United States federal securities laws, since the Company is located in a country other than the United States, some or all of its officers and directors may be residents of a country other than the United States and the assets of the Company may be located outside the United States. Holders of H Shares in the United States may not be able to sue a non-United States company or its officers or directors in a non-United States court for violations of United States securities laws. It may be difficult for such holders of H Shares to effect service of process within the United States upon the Company or its officers or directors or to enforce against them any judgment of a United States court predicated upon the federal or state securities laws of the United States. In particular holders of H Shares in the United States should note that the Offeror reserves the right itself or through affiliates or nominees or its brokers acting as agents from time to time making purchases of, or arrangements to purchase H Shares outside of the United States whether in open market or by private transaction during the offer period of the H Share Offer other than pursuant to the H Share Offer to the extent permitted by and in accordance with the requirements of the Takeovers Code. Information about such purchases will be reported to the SFC in accordance with the requirements of the Takeovers Code and will be available on the website of the SFC at <http://www.sfc.hk/>.

1. INTRODUCTION

On [*] 2021 ([before/after] trading hours), the Board received a letter from the Offeror that, subject to the satisfaction of the Pre-Condition, voluntary conditional offers will be made by

the Offeror for the H Shares and the Domestic Shares other than those owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the Offers in accordance with the Takeovers Code which, if implemented, will result in the Delisting.

2. PRE-CONDITION TO THE OFFERS AND THE DELISTING

The making of the Offers and the proceeding with the Delisting are subject to the satisfaction of the Pre-Condition that, with respect to anti-trust review of the transactions contemplated under the Offers and the Delisting in the PRC under the Anti-Monopoly Law of the PRC, the approval from SAMR having been obtained without any conditions being imposed pursuant to the Anti-Monopoly Law of the PRC or no objection having been raised by SAMR pursuant to the statutory clearance period under the Anti-Monopoly Law of the PRC. The Pre-Condition cannot be waived in any event.

Pursuant to the Anti-Monopoly Law of the PRC, the statutory clearance period will take 30 days after SAMR's official acceptance for the filing, and another 90 days if SAMR decides to take further review on the filing. In addition, the review period would be extended to another 60 days by SAMR's written notice for extension. The Offeror will proceed with the relevant filing as soon as reasonably practicable after the date of this joint announcement.

The Offeror and the Company will issue a further announcement as soon as practicable after the Pre-Condition has been satisfied. If the Pre-Condition is not satisfied on or before the Pre-Condition Long Stop Date, the Offers will not be made and the Delisting will not proceed, and the Shareholders will be notified by a further announcement as soon as practicable thereafter.

WARNING: The Pre-Condition must be satisfied before the making of the Offers. The making of the Offers and proceeding with the Delisting are therefore a possibility only and all references to the Offers and the Delisting in this joint announcement are references to the possible Offers and the possible Delisting, which will be implemented if and only if the Pre-Condition is satisfied. Even if the Pre-Condition is satisfied and the Offers are made, the Offers are conditional upon the satisfaction (or, where applicable, waiver) of the conditions as described in this joint announcement in all aspects. Accordingly, the Offers may or may not become unconditional and the issue of this joint announcement does not imply that the Offers or the Delisting will be completed. Accordingly, Shareholders and potential investors should 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 licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

3. THE POSSIBLE H SHARE OFFER

3.1 Consideration for the H Share Offer

The H Share Offer will be made by UBS on behalf of the Offeror on the following basis:

For each H Share HK\$18.15 in cash

The Offeror will not increase the consideration for the H Share Offer as set out above and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the consideration for the H Share Offer.

3.2 Comparisons of value

The cash offer price offered under the H Share Offer represents:

- (1) a premium of approximately [%] over the offer price of HK\$16.50 per H Share for the global offering of the H Shares in March 2019;
- (2) a premium of approximately [%] over HK\$[*] which is the closing price per H Share as quoted on the Stock Exchange on the Last Trading Date;
- (3) a premium of approximately [%] over HK\$[*] which is the average closing price per H Share as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Date;
- (4) a premium of approximately [%] over HK\$[*] which is the average closing price per H Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Date;
- (5) a premium of approximately [%] over HK\$[*] which is the average closing price per H Share as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (6) a premium of approximately [%] over HK\$[*] which is the average closing price per H Share as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Date;
- (7) a premium of approximately [%] over RMB[*] which is the audited consolidated net asset value of each Share as at 31 December 2019; and
- (8) a premium of approximately [%] over RMB[*] which is the unaudited consolidated net asset value of each Share as at 30 June 2020.

3.3 Highest and lowest prices

During the six-month period preceding the Last Trading Date, the highest per share closing price of the H Shares as quoted on the Stock Exchange was HK\$[*] which was recorded on [*], and the lowest per share closing price of the H Shares as quoted on the Stock Exchange was HK\$[*] which was recorded on [*].

3.4 Settlement of consideration

Settlement of the consideration in respect of acceptances received under the H Share Offer will be made as soon as possible but in any event within seven business days of the date of receipt of a complete and valid acceptance or of the date on which the H Share Offer becomes or is declared unconditional in all respects, whichever is the later.

3.5 Consideration and confirmation of financial resources

Based on the cash offer price of HK\$18.15 per H Share and the total number of H Shares subject to the H Share Offer of 55,170,000 H Shares (representing the H Shares not already owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the H Share Offer), the total consideration of the H Share Offer (assuming the H Share Offer is accepted in full and there are no changes in the share capital of the Company) is approximately HK\$1,001,335,500.

The consideration payable under the H Share Offer was determined by the Offeror with reference to the prices of the H Shares traded on the Stock Exchange, the most recent published financial information of the Company and the Offeror's assessment of the Company's business, prospects and market position.

The Offeror intends to finance the cash requirement for the H Share Offer by cash investment by the Equity Investors Group. The Offeror has (i) a binding equity commitment letter from Sequoia Capital China Growth Fund VI, L.P., pursuant to which Sequoia Capital China Growth Fund VI, L.P. has committed to make one or more direct or indirect capital contributions in respect of Sequoia China's Committed Investment Amount (as defined below) in the form of cash to the Offeror for its use solely for the purpose of the Offers, and (ii) an irrevocable standby letter of credit issued by Silicon Valley Bank in favour of the Offeror in respect of Ocean Link's Committed Investment Amount (as defined below).

[UBS has been appointed as the financial adviser to the Offeror in respect of the H Share Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the H Share Offer.]

4. CONDITIONS OF THE H SHARE OFFER

The H Share Offer is subject to the fulfilment or waiver, as applicable, of the following conditions:

- (a) the passing by the Independent H Shareholders at the H Share Class Meeting to be convened for this purpose of a resolution approving the Delisting, provided that:
 - (i) approval is given by at least 75% of the votes attaching to the H Shares held by the Independent H Shareholders that are cast either in person or by proxy; and
 - (ii) the number of votes cast, by way of poll, against the resolution is not more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders;
- (b) the passing by the Independent H Shareholders at the EGM to be convened for this purpose of a resolution approving the Delisting, provided that:
 - (i) approval is given by at least 75% of the votes attaching to the Shares held by the Independent H Shareholders that are cast either in person or by proxy; and
 - (ii) the number of votes cast, by way of poll, against the resolution is not more than 10% of the votes attaching to all the Shares held by the Independent H Shareholders;
- (c) minimum valid acceptances of the H Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date amounting to at least 90% of the H Shares held by the Independent H Shareholders;
- (d) all necessary authorisations, consents and approvals (including approval in-principle) of any government or governmental or regulatory body or court or institution in relation to the Delisting and the Offers (including the implementation thereof) having been obtained, and remaining in full force and effect and not having been revoked or rescinded pursuant to the provisions of any laws or regulations in Hong Kong, the PRC and other relevant jurisdictions;

- (e) all necessary third party consents in relation to the Delisting and the Offers, pursuant to any agreement to which the Company or any of its subsidiaries is a party, where any failure to obtain such consent would have a material adverse effect on the business of the Group taken as a whole, having been waived or obtained and remaining in full force and effect and not having been revoked or rescinded by the relevant party(ies);
- (f) no event having occurred which would have a material adverse effect on the legal ability of the Offeror to proceed with or consummate the Delisting or the Offers;
- (g) no event having occurred which would make the Delisting or the Offers void, unenforceable or illegal or which would restrict or prohibit the implementation of, or impose any additional material conditions or obligations with respect to, the Delisting or the Offers or any part thereof;
- (h) (i) the receipt of an opinion from the independent financial adviser to the Independent Board Committee confirming that the Shareholders Arrangement is fair and reasonable; (ii) the passing of an ordinary resolution by the Independent H Shareholders at the EGM to approve the Shareholders Arrangement under the Takeovers Code; and (iii) the consent from the Executive to the Shareholders Arrangement pursuant to Rule 25 of the Takeovers Code; and
- (i) the granting of the waiver by the Executive from the requirements under Rule 2.2(c) and Rule 20.1 of the Takeovers Code.

The Offeror reserves the right to waive any of the conditions set out above (except for the conditions referred to in paragraphs (a), (b), (c), (d), (e), (h) and (i) above) in whole or in part. The Company does not have the right to waive any of the conditions set out above. As at the date of this joint announcement, none of the conditions has been fulfilled.

In respect of the conditions referred to in paragraphs (d) and (e) above, after consulting its legal advisers, subject to the satisfaction of the Pre-Condition, the Offeror is not aware of any necessary authorisations, consents and approvals of any government or governmental or regulatory body or court or institution in relation to the Offers or the Delisting required at the date of this joint announcement, save as disclosed in paragraphs (h) and (i) above. In addition, the Board confirms that as at the date of this joint announcement, no third party consent in relation to the Offers or the Delisting is required pursuant to any agreement to which any member of the Group is a party.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the conditions set out above as a basis for not proceeding with the H Share Offer only if the circumstances which give rise to the right to invoke such condition are of material significance to the Offeror in the context of the H Share Offer. Except with the consent of the Executive, if any of those conditions is not satisfied within 21 days of the first Closing Date or the date the H Share Offer becomes or is declared unconditional as to acceptances, whichever is later, the H Share Offer will lapse.

The latest time on which the Offeror can declare the H Share Offer unconditional as to acceptances is 7:00 p.m. on the 60th day after the posting of the Composite Document (or such later date to which the Executive may consent). If the H Share Offer becomes or is declared unconditional in all respects, it should remain open for acceptance for at least 28 days, and the H Shareholders will be notified in writing as soon as possible in accordance with the Takeovers Code and the Listing Rules.

The H Share Offer will be made in compliance with the Takeovers Code, which is administered by the Executive.

5. THE POSSIBLE DOMESTIC SHARE OFFER

5.1 Consideration for the Domestic Share Offer

The Domestic Share Offer will be made by the Offeror on the following basis:

For each Domestic Share RMB[*] in cash*

** equivalent of the H Share offer price in RMB based on an exchange rate of HK\$1 = RMB[*], being the exchange rate announced by the People's Bank of China on the date of this joint announcement.*

The Offeror will not increase the consideration for the Domestic Share Offer as set out above and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the consideration for the Domestic Share Offer.

5.2 Consideration and confirmation of financial resources

Based on the cash offer price of RMB[*] per Domestic Share and the total number of Domestic Shares subject to the Domestic Share Offer of 25,959,477 Domestic Shares (representing the Domestic Shares in respect of which the Offeror Concert Parties have undertaken to accept the Domestic Share Offer), the total consideration of the Domestic Share Offer (assuming the Domestic Share Offer is accepted in full and there are no changes in the share capital of the Company) is approximately RMB[*].

The Offeror intends to finance the cash requirement for the Domestic Share Offer by cash investment by the Equity Investors Group. The Offeror has (i) a binding equity commitment letter from Sequoia Capital China Growth Fund VI, L.P., pursuant to which Sequoia Capital China Growth Fund VI, L.P. has committed to make one or more direct or indirect capital contributions in respect of Sequoia China's Committed Investment Amount (as defined below) in the form of cash to the Offeror for its use solely for the purpose of the Offers, and (ii) an irrevocable standby letter of credit issued by Silicon Valley Bank in favour of the Offeror in respect of Ocean Link's Committed Investment Amount (as defined below).

[UBS is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Domestic Share Offer.]

5.3 Condition of the Domestic Share Offer

The Domestic Share Offer is subject to the H Share Offer becoming or being declared unconditional in all respects. This condition cannot be waived in any event.

As the Domestic Share Offer is only conditional upon the H Share Offer becoming or being declared unconditional, if the H Share Offer is declared unconditional, the Domestic Share Offer will likewise become unconditional in all respects. There will be no circumstances that either of the Offers becomes or is declared unconditional, with the other not becoming or being declared unconditional. As such, this will have the same effect as if the Offers were inter-conditional.

5.4 Settlement of consideration

As settlement of consideration under the Domestic Share Offer is subject to certain transfer and registration formalities and procedures imposed by China Securities Depository and Clearing Co., Ltd. and the State Administration of Foreign Exchange in the PRC, settlement of the consideration in respect of acceptances received under the Domestic Share Offer will be made by the Offeror as soon as reasonably practicable following completion of such transfer and registration formalities but it will not be able to be made within seven business days following the later of the date on which an offer becomes, or is declared, unconditional and the date of receipt of a duly completed acceptance as required under Rule 20.1 of the Takeovers Code. The Domestic Shareholders who have undertaken to accept the Domestic Share Offer, namely the Chen Group, Kairui Shiqi and Qianhe Qiju (who are all Offeror Concert Parties), have given the Chen Irrevocable Undertakings, the Kairui Shiqi Irrevocable Undertakings and the Qianhe Qiju Irrevocable Undertakings, respectively, pursuant to which each of them have agreed that the settlement of consideration under the Domestic Share Offer will be made within 15 business days after the date on which the relevant holder of Domestic Shares notifies the Offeror in writing of such holder's bank account details for the purposes of accepting the Domestic Share Offer. As such, the Offeror has applied to the Executive for, [and the Executive is minded to grant], a waiver from strict compliance with Rule 20.1 of the Takeovers Code.

6. IRREVOCABLE UNDERTAKINGS

In respect of the H Shares

As at the date of this joint announcement, there are 70,000,000 H Shares in issue. CTrip.com (Hong Kong) Limited (“**CTrip Hong Kong**”), an Offeror Concert Party, holds 14,830,000 H Shares. Details of the shareholding are set out in the section headed “8. Other information – 8.6 Shareholding structure of the Company”.

On [*] 2021 ([before/after] trading hours), CTrip Hong Kong entered into the CTrip Irrevocable Undertakings in favour of the Offeror, pursuant to which it has irrevocably agreed and undertaken to the Offeror that, among other things, (i) the H Share Offer does not have to be extended to it and even if it is extended to it, it will not accept the H Share Offer in respect of all the H Shares held by it; (ii) it will not offer, sell, give, transfer, pledge, encumber, charge, grant any right over or otherwise dispose of or deal with any of the H Shares held by it or any interest therein until the later of (a) the date of completion of the Delisting and (b) the date that all consideration payable under the Offers is settled in full pursuant to the Takeovers Code or such other date as agreed with the Executive; and (iii) it will support the Delisting, including to vote in favour of the delisting resolution in the H Share Class Meeting and the EGM (if permitted to do so by the relevant regulators). The CTrip Irrevocable Undertakings will terminate when the Offers are withdrawn, lapsed or closed.

In respect of the Domestic Shares

As at the date of this joint announcement, there are 159,659,640 Domestic Shares in issue. New Century Tourism, an Offeror Concert Party, holds 125,676,180 Domestic Shares. Kaihui Taiheng (an Offeror Concert Party), the general partner of which is Mr. Jin Wenjie (an executive Director), holds 13,437,900 Domestic Shares. Kairui Shiqi (an Offeror Concert Party), the general partner of which is Mr. Chen Miaoqiang (an executive Director), holds 7,223,580 Domestic Shares. Qianhe Qiju (an Offeror Concert Party), the general partner of which is Mr. Jin Wenjie (an executive Director), holds 9,655,590 Domestic Shares. Shanghai Ouling Bohui Investment Center (Limited Partnership) (上海鷗翎鉅卉投資中心 (有限合夥)) (“**Ouling Bohui**”), an Offeror Concert Party, holds the remaining 3,666,390 Domestic Shares. Details of the shareholding are set out in the section headed “8. Other information – 8.6 Shareholding structure of the Company”.

(i) Chen Irrevocable Undertakings

On [*] 2021 ([before/after] trading hours), New Century Tourism and its controlling shareholder Mr. Chen Miaolin entered into the Chen Irrevocable Undertakings in favour of the Offeror, pursuant to which each of them has irrevocably agreed and undertaken to the Offeror that, among other things, (i) New Century Tourism will not accept the Domestic Share Offer in respect of an aggregate of 116,595,873 Domestic Shares held by it; (ii) New Century Tourism will accept the Domestic Share Offer in respect of the remaining Domestic Shares held by it, being 9,080,307 Domestic Shares; (iii) each of New Century Tourism and Mr. Chen Miaolin will not offer, sell, give, transfer, pledge, encumber, charge, grant any right over or otherwise dispose of or deal with any of the Domestic Shares held by New Century Tourism or any interest therein until the earlier of the date of the lapse or withdrawal of the Offers or the completion date (i.e. the later of (a) the date of completion of the Delisting and (b) the date that all consideration payable under the Offers is settled in full pursuant to the Takeovers Code or such other date as agreed with the Executive); and (iv) New Century Tourism will vote in favour of any resolution which is necessary to implement or otherwise relates to the Offers and the Delisting in the EGM (if permitted to do so by the relevant regulators). Under the Chen Irrevocable Undertakings, Mr. Chen Miaolin and New Century Tourism have agreed that the settlement of consideration under the Domestic Share Offer will be made within 15 business days after the date on which the relevant holder of Domestic Shares notifies the Offeror in writing of such holder's bank account details for the purposes of accepting the Domestic Share Offer.

Under the Chen Irrevocable Undertakings, New Century Tourism has irrevocably granted to the Offeror (or its nominee) a right to purchase all of 37,598,923 Domestic Shares (representing approximately 13.43% of the Shares in issue as at the date of this joint announcement) held by New Century Tourism (the "**Call Option**"), upon the written request of the Offeror exercisable at any time from the date of Delisting until the date that is 12 months from the date of Delisting. The aggregate purchase price to be paid in consideration for the Domestic Shares under the Call Option following exercise of the Call Option shall be equivalent to the offer price under the Domestic Share Offer multiplied by the number of Domestic Shares under the Call Option. The aggregate purchase price for the Domestic Shares under the Call Option is not subject to any adjustment. Completion of the sale and purchase of the Domestic Shares under the Call Option pursuant to the exercise of the Call Option (the "**Call Option Completion**") shall be conditional upon the obtaining of all relevant authorisations.

The Chen Irrevocable Undertakings will terminate when the Offers are withdrawn, lapsed or closed, except for the provisions on the Call Option which shall continue to have full force and effect if the Offers have been closed, in which case such provisions shall terminate on (i) the date which is 12 months from the date of Delisting if the Call Option is not exercised, or (ii) the date of the Call Option Completion.

(ii) Kairui Shiqi Irrevocable Undertakings

On [*] 2021 ([before/after] trading hours), Kairui Shiqi and its general partner Mr. Chen Miaoqiang entered into the Kairui Shiqi Irrevocable Undertakings in favour of the Offeror, pursuant to which each of them has irrevocably agreed and undertaken to the Offeror that, among other things, (i) Kairui Shiqi will accept the Domestic Share Offer in respect of all the Domestic Shares held by it; (ii) each of Kairui Shiqi and Mr. Chen Miaoqiang will not offer, sell, give, transfer, pledge, encumber, charge, grant any right over or otherwise dispose of or deal with any of the Domestic Shares held by Kairui Shiqi or any interest therein until the earlier of the date of the lapse or withdrawal of the Offers or the completion date (i.e. the later of (a) the date of completion of the Delisting and (b) the

date that all consideration payable under the Offers is settled in full pursuant to the Takeovers Code or such other date as agreed with the Executive); and (iii) Kairui Shiqi will vote in favour of any resolution which is necessary to implement or otherwise relates to the Offers and the Delisting in the EGM (if permitted to do so by the relevant regulators). Under the Kairui Shiqi Irrevocable Undertakings, Mr. Chen Miaoqiang and Kairui Shiqi have agreed that the settlement of consideration under the Domestic Share Offer will be made within 15 business days after the date on which the relevant holder of Domestic Shares notifies the Offeror in writing of such holder's bank account details for the purposes of accepting the Domestic Share Offer. The Kairui Shiqi Irrevocable Undertakings will terminate when the Offers are withdrawn, lapsed or closed.

(iii) Kaihui Taiheng Irrevocable Undertakings

On [*] 2021 ([before/after] trading hours), Kaihui Taiheng and its general partner Mr. Jin Wenjie entered into the Kaihui Taiheng Irrevocable Undertakings in favour of the Offeror, pursuant to which each of them has irrevocably agreed and undertaken to the Offeror that, among other things, (i) the Domestic Share Offer does not have to be extended to Kaihui Taiheng and even if it is extended to it, Kaihui Taiheng will not accept the Domestic Share Offer in respect of all the Domestic Shares held by it; (ii) each of Kaihui Taiheng and Mr. Jin Wenjie will not offer, sell, give, transfer, pledge, encumber, charge, grant any right over or otherwise dispose of or deal with any of the Domestic Shares held by Kaihui Taiheng or any interest therein until the earlier of the date of the lapse or withdrawal of the Offers or the completion date (i.e. the later of (a) the date of completion of the Delisting and (b) the date that all consideration payable under the Offers is settled in full pursuant to the Takeovers Code or such other date as agreed with the Executive); and (iii) Kaihui Taiheng will vote in favour of any resolution which is necessary to implement or otherwise relates to the Offers and the Delisting in the EGM (if permitted to do so by the relevant regulators). The Kaihui Taiheng Irrevocable Undertakings will terminate when the Offers are withdrawn, lapsed or closed.

(iv) Qianhe Qiju Irrevocable Undertakings

On [*] 2021 ([before/after] trading hours), Qianhe Qiju and its general partner Mr. Jin Wenjie entered into the Qianhe Qiju Irrevocable Undertakings in favour of the Offeror, pursuant to which each of them has irrevocably agreed and undertaken to the Offeror that, among other things, (i) Qianhe Qiju will accept the Domestic Share Offer in respect of all the Domestic Shares held by it; (ii) each of Qianhe Qiju and Mr. Jin Wenjie will not offer, sell, give, transfer, pledge, encumber, charge, grant any right over or otherwise dispose of or deal with any of the Domestic Shares held by Qianhe Qiju or any interest therein until the earlier of the date of the lapse or withdrawal of the Offers or the completion date (i.e. the later of (a) the date of completion of the Delisting and (b) the date that all consideration payable under the Offers is settled in full pursuant to the Takeovers Code or such other date as agreed with the Executive); and (iii) Qianhe Qiju will vote in favour of any resolution which is necessary to implement or otherwise relates to the Offers and the Delisting in the EGM (if permitted to do so by the relevant regulators). Under the Qianhe Qiju Irrevocable Undertakings, Mr. Jin Wenjie and Qianhe Qiju have agreed that the settlement of consideration under the Domestic Share Offer will be made within 15 business days after the date on which the relevant holder of Domestic Shares notifies the Offeror in writing of such holder's bank account details for the purposes of accepting the Domestic Share Offer. The Qianhe Qiju Irrevocable Undertakings will terminate when the Offers are withdrawn, lapsed or closed.

(v) Ouling Bohui Irrevocable Undertakings

On [*] 2021 ([before/after] trading hours), Ouling Bohui entered into the Ouling Bohui Irrevocable Undertakings in favour of the Offeror, pursuant to which it has irrevocably agreed and undertaken to the Offeror that, among other things, (i) the Domestic Share Offer does not have to be extended to it and even if it is extended to it, it will not accept the Domestic Share Offer in respect of all the Domestic Shares held by it; (ii) it will not offer, sell, give, transfer, pledge, encumber, charge, grant any right over or otherwise dispose of or deal with any of the Domestic Shares held by it or any interest therein until the later of (a) the date of completion of the Delisting and (b) the date that all consideration payable under the Offers is settled in full pursuant to the Takeovers Code or such other date as agreed with the Executive; and (iii) it will support the Delisting, including to vote in favour of the delisting resolution in the EGM (if permitted to do so by the relevant regulators). The Ouling Bohui Irrevocable Undertakings will terminate when the Offers are withdrawn, lapsed or closed.

In respect of the Unlisted Foreign Shares

As at the date of this joint announcement, there are 50,340,360 Unlisted Foreign Shares in issue. NC Hotels Investment Holding Pte. Ltd. (“**NC Hotels Investment**”), an Offeror Concert Party, holds 40,482,540 Unlisted Foreign Shares. Ocean Century Hotels Limited (“**OC Hotels**”), an Offeror Concert Party, holds the remaining 9,857,820 Unlisted Foreign Shares. Details of the shareholding are set out in the section headed “8. Other information – 8.6 Shareholding structure of the Company”.

On [*] 2021 ([before/after] trading hours), each of NC Hotels Investment and OC Hotels entered into the Unlisted Foreign Shares Irrevocable Undertakings in favour of the Offeror, pursuant to which each of them has irrevocably agreed and undertaken to the Offeror that, among other things, (i) no offer has to be extended to it if a voluntary conditional offer is made by the Offeror or its nominee; (ii) even if such offer is extended to it, it will not accept such offer in respect of the Unlisted Foreign Shares held by it; (iii) it will not offer, sell, give, transfer, pledge, encumber, charge, grant any right over or otherwise dispose of or deal with any of the Unlisted Foreign Shares held by it or any interest therein until the later of (a) the date of completion of the Delisting and (b) the date that all consideration payable under the Offers is settled in full pursuant to the Takeovers Code or such other date as agreed with the Executive; and (iv) it will support the Delisting, including to vote in favour of the delisting resolution in the EGM (if permitted to do so by the relevant regulators). The Unlisted Foreign Shares Irrevocable Undertakings will terminate when the Offers are withdrawn, lapsed or closed.

Given that both holders of Unlisted Foreign Shares have given the Unlisted Foreign Shares Irrevocable Undertakings, no comparable offer will be made to holders of Unlisted Foreign Shares.

7. NO RIGHT OF COMPULSORY ACQUISITION

The Offeror has no rights under the laws of the PRC and the Articles of Association of the Company to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the H Share Offer. Accordingly, the Independent H Shareholders are reminded that if they do not accept the H Share Offer and the H Share Offer subsequently becomes unconditional in all respects, and the H Shares are delisted from the Stock Exchange, this will result in the Independent H Shareholders holding securities that are not listed on the Stock Exchange and the liquidity of the H Shares may be severely reduced. In addition, the Company will no longer be subject to the requirements under the Listing Rules and may or may not continue to be subject to the Takeovers Code after completion of the Offers depending on whether it remains as a public company in Hong Kong for the purposes of the Takeovers Code thereafter.

Independent H Shareholders should also note that if they do not agree to the terms of the Offers, they can vote against the Delisting at the H Share Class Meeting and/or the EGM. If the number of votes cast, by way of poll, against the Delisting at the H Share Class Meeting is more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders, or if the number of votes cast, by way of poll, against the Delisting at the EGM is more than 10% of the votes attaching to all the Shares held by the Independent H Shareholders, the Offers would not become unconditional and the Company would remain listed on the Stock Exchange.

The Offeror [has applied] to the Executive for, [and the Executive is minded to grant], a waiver from the requirements under Rule 2.2(c) of the Takeovers Code, which requires a resolution to approve a delisting to be made subject to the relevant offeror(s) being entitled to exercise, and exercising, its rights of compulsory acquisition.

8. OTHER INFORMATION

8.1 Reasons for and benefits of the Offers

For H Shareholders

The Offeror considers that the H Share Offer will provide an opportunity to H Shareholders to realise their investment in the Company at an attractive premium over the prevailing price of the H Shares. The offer price of HK\$18.15 per H Share represents a premium of approximately [%] over the average closing price of approximately HK\$[*] per H Share as quoted on the Stock Exchange for the [*] trading days up to and including the Last Trading Date.

The average daily trading volume of the H Shares for the [*] trading days up to and including the Last Trading Date was approximately [*] H Shares per day, representing only approximately [%] of the issued H Shares. The relatively low trading liquidity of the H Shares makes it difficult for H Shareholders to sell their shareholdings in large volume on the secondary market. The H Share Offer will provide an opportunity for H Shareholders to realise their investment in the Company without suffering any illiquidity discount.

For the Offeror and the Company

As disclosed in the interim report of the Company for the six months ended 30 June 2020, the outbreak of the COVID-19 pandemic has caused significant decline in the occupancy rate and average daily rate across all classes of the Company's hotels. Given such uncertainties to the Group's prospects and future financial performance, investors may have different expectations and requirements with regards to return on investment of the Group, which may differ from the development plan of the Group in the long run. The Delisting, if completed, will provide the Company with flexibility to pursue certain strategic alternatives that it may not be practicable to pursue as a public company, including the ability to pursue business initiatives and improve operation performance without focusing on the short-term market reaction.

The Offeror also considers that the Delisting will give the Offeror more flexibility to support the future business development of the Group without being subject to regulatory restrictions and compliance obligations arising from the listing status of the H Shares on the Stock Exchange.

The Directors (other than members of the Independent Board Committee who will give their view after considering the advice of the independent financial adviser to be

appointed) believe that the terms of the Offers are fair and reasonable and in the interests of the Shareholders as a whole.

8.2 Proposed change of Board composition

As at the date of this joint announcement, the Board is currently made up of nine Directors, comprising two executive Directors, namely Mr. Jin Wenjie and Mr. Chen Miaoqiang; four non-executive Directors, namely Mr. Chen Canrong, Mr. Jiang Tianyi, Mr. Zhou Rong and Mr. Xie Bingwu; and three independent non-executive Directors, namely Mr. Zhang Rungang, Mr. Khoo Wun Fat William and Ms. Qiu Yun.

Subject to the Delisting, it is expected that some Directors will resign from the Board, and new Directors will be nominated and appointed to the Board, and Mr. Zheng Nanyan will be appointed to be the Chairman of the Company in accordance with the Company Shareholders' Agreement.

Any changes to the Board will be made in compliance with the Takeovers Code and the Listing Rules and a further announcement will be made as and when appropriate.

8.3 Future plans for the Group

The Offeror intends to continue with the existing business of the Group and does not intend to make any material changes to the current business operations of the Group following completion of the Offers. Save as disclosed in the sub-section headed "8.2 Proposed change of Board composition", the Offeror does not intend to introduce any material changes in the management or employees of the Group as a result of the Offers.

8.4 Information on the Offeror and other arrangements

Offeror

The Offeror is a company incorporated in Hong Kong with limited liability and set up for the implementation of the Offers. The Offeror is wholly-owned by BidCo (a company incorporated in the Cayman Islands with limited liability).

As at the date of this joint announcement, BidCo is wholly-owned by Ocean Link. Upon payment of the Committed Investment Amount by each of Sequoia China and Ocean Link, BidCo will be owned as to 68% and 32% by Sequoia China and Ocean Link, respectively. Please refer to the sub-section headed "Consortium Agreement - (a) Committed Investment Amount" below for details.

As at the date of this joint announcement, the Offeror does not hold any Shares.

Ocean Link

Ocean Link is a wholly-owned subsidiary of a fund whose general partner is Ocean Link Partners II GP, L.P., whose general partner is Ocean Link Partners II GP Limited, in which each of Mr. Zheng Nanyan and Mr. Jiang Tianyi (a non-executive Director) indirectly owns 50% equity interest.

Sequoia China

Sequoia China is a wholly-owned subsidiary of a fund whose general partner is SC China Growth VI Management, L.P., whose general partner is SC China Holding

Limited. SC China Holding Limited is indirectly wholly-owned by Mr. Nanpeng Shen.

Save for the Independent H Shareholders who hold an aggregate of 52,820,000 H Shares (representing approximately 75.46% of the H Shares and approximately 18.86% of the Shares as at the date of this joint announcement), all of the Domestic Shares, the Unlisted Foreign Shares and the remaining H Shares are held by the Offeror Concert Parties (representing approximately 81.14% of the Shares as at the date of this joint announcement).

Consortium Agreement

On [*] 2021, Sequoia China, Ocean Link, the Offeror and BidCo entered into the Consortium Agreement for the purposes of, among other things: (i) governing their respective rights and liabilities in connection with the Offers; (ii) setting out the basis upon which the parties have agreed to conduct and implement the Offers in consultation with each other; and (iii) setting out the investment amounts to be contributed by each of Sequoia China and Ocean Link to BidCo in order to implement the Offers, and their corresponding shareholding in BidCo. A summary of the key terms of the Consortium Agreement is set out below:

(a) Committed Investment Amount

Each of Sequoia China and Ocean Link shall contribute the following investment amount (the “**Committed Investment Amount**”) to BidCo in order to implement the Offers:

Investor	Committed Investment Amount	Percentage Shareholding in BidCo
Sequoia China	HK\$1,030,750,000	68%
Ocean Link	HK\$480,500,000	32%
Total	HK\$1,511,250,000	100%

Out of Sequoia China’s Committed Investment Amount, (i) HK\$692,850,000 will be used to finance the H Share Offer, and is payable on or prior to the date that is 4 business days after the date that the H Share Offer becomes unconditional in all respects (the “**H Share Funding Date**”); and (ii) HK\$337,900,000 will be used to finance the Domestic Share Offer, and is payable on or prior to the date that is 10 business days after the date on which the first holder of Domestic Shares under the Domestic Share Offer notifies the Offeror in writing of such holder’s bank account details for the purposes of accepting the Domestic Share Offer (the “**Domestic Share Funding Date**”).

Out of Ocean Link’s Committed Investment Amount, (i) HK\$322,400,000 will be used to finance the H Share Offer, and is payable on or prior to the H Share Funding Date; and (ii) HK\$158,100,000 will be used to finance the Domestic Share Offer, and is payable on or prior to the Domestic Share Funding Date.

(b) Termination

The Consortium Agreement will be terminated if the Offers are withdrawn or lapse.

BidCo Shareholders' Agreement

On [*] 2021, Ocean Link, Sequoia China and BidCo entered into the BidCo Shareholders' Agreement in respect of the governance of BidCo, which is intended to take full effect on the date that is 4 business days after the date that the H Share Offer becomes unconditional in all respects. A summary of the key terms of the BidCo Shareholders' Agreement is set out below:

- (a) **Shareholding and voting rights.** Each share of BidCo shall carry one vote each.
- (b) **Board composition.** Each of Ocean Link and Sequoia China shall have the right to appoint directors on the board of BidCo. The board of BidCo shall be responsible for the overall direction and management of BidCo and its subsidiaries, subject to a limited number of reserved matters.

Company Shareholders' Agreement

On [*] 2021, Mr. Chen Miaolin, New Century Tourism, Kaihui Taiheng, OC Hotels, NC Hotels Investment, Ouling Bohui, CTrip Hong Kong, the Offeror and the Company entered into the Company Shareholders' Agreement in respect of the governance of the Company, which is intended to take full effect on the date that is 4 business days after the date that the H Share Offer becomes unconditional in all respects. A summary of the key terms of the Company Shareholders' Agreement is set out below:

- (a) **Voting rights.** Each Share shall carry one vote each.
- (b) **Board composition.** On and with effect from the date of Delisting and prior to the Call Option Completion, each of the Offeror and New Century Tourism shall have the right to appoint three Directors on the Board, and CTrip Hong Kong shall have the right to appoint one Director. Immediately following the Call Option Completion, each of the Offeror, New Century Tourism and CTrip Hong Kong shall have the right to appoint four Directors, two Directors and one Director, respectively. The Board shall be responsible for the overall direction and management of the Group, subject to a limited number of matters requiring shareholders' approval under applicable laws and regulations of the PRC.
- (c) **Share transfer restrictions.** Each of Mr. Chen Miaolin and New Century Tourism shall be subject to a 3-year lock-up in respect of transfers of Shares. The lock-up does not apply to any transfer of Shares pursuant to the Call Option and is subject to certain customary carve-outs.
- (d) **Right of first refusal, drag-along and tag-along.** The parties (other than the Company) shall have customary rights of first refusal, drag-along rights and tag-along rights. The rights of first refusal, drag-along rights and tag-along rights do not apply to any transfer of Shares pursuant to the Call Option.
- (e) **Pre-emption rights.** Each of the parties (other than the Company) shall have customary pre-emptive rights (on a pro rata basis based on its percentage ownership in the Company) with respect to the issuance of new equity securities by the Company, subject to customary exceptions.

- (f) **Non-compete undertakings from Mr. Chen Miaolin and New Century Tourism.** Each of Mr. Chen Miaolin and New Century Tourism jointly and severally undertakes to the other parties that for so long as they or any of their affiliates remains a Shareholder and for two (2) years after they or their affiliates cease to hold any Share, he or it will not, whether directly or indirectly, carry on, engage, invest, participate or otherwise be interested in any business that competes with the business of any member of the Group including but not limited to operating or managing hotels in the PRC (the “**Restricted Business**”), provided that Mr. Chen Miaolin, New Century Tourism and their affiliates taken together may hold passive investment interests of below 10% of the securities of a company conducting any Restricted Business.

The Chen Group, Kaihui Taiheng, OC Hotels, NC Hotels Investment, Ouling Bohui and CTrip Hong Kong are Offeror Concert Parties by virtue of being parties to the Company Shareholders’ Agreement. As the Shareholders Arrangement is available only to the Chen Group, Kaihui Taiheng, OC Hotels, NC Hotels Investment, Ouling Bohui and CTrip Hong Kong, and is not offered to all Shareholders, the Shareholders Arrangement constitutes a special deal under Rule 25 of the Takeovers Code and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror will make an application to the Executive for its consent to the Shareholders Arrangement, and such consent, if granted, will be conditional on (i) an opinion from the independent financial adviser to the Independent Board Committee confirming that the Shareholders Arrangement is fair and reasonable; and (ii) the passing of an ordinary resolution by the Independent H Shareholders at the EGM to approve the Shareholders Arrangement under the Takeovers Code.

8.5 Information on the Group

The Company is a joint stock limited company established under the laws of the PRC with limited liability whose H Shares have been listed on the Main Board of the Stock Exchange since 11 March 2019.

The Group is principally engaged in the operation and management of mid-scale to upscale hotel chains business. The Group operates its business through two segments: hotel operation segment and hotel management segment. Hotel operation segment is principally engaged in the operation of its own hotels and leased hotels. Hotel management segment is mainly engaged in hotel full service management business and franchise management business. The Group mainly conducts its business in the Chinese domestic market.

Selected financial information of the Group as extracted from the Company’s audited consolidated financial statements for the three years ended 31 December 2019 prepared in accordance with the International Financial Reporting Standards is set out below:

	For the year ended 31 December		
	2017	2018	2019
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue	1,664,643	1,797,968	1,927,980
Profit before tax	223,022	243,081	268,617
Profit attributable to owners of the Company	163,042	186,787	202,405

8.6 Shareholding structure of the Company

The shareholding structure of the Company as at the date of this joint announcement, immediately after completion of the Offers and immediately after the Call Option Completion is as follows, assuming that (i) the Offers are fully accepted, taking into account the undertakings given by the relevant Shareholders under the Irrevocable Undertakings; and (ii) the total issued share capital of the Company remains unchanged:

	As at the date of this joint announcement		Immediately after completion of the Offers (assuming the Offers are fully accepted and the total issued share capital of the Company remains unchanged)		Immediately after the Call Option Completion (assuming the Offers are fully accepted and the total issued share capital of the Company remains unchanged)	
	Number of Shares	Approximate % of the total issued Shares	Number of Shares	Approximate % of the total issued Shares	Number of Shares	Approximate % of the total issued Shares
Offeror and Offeror Concert Parties	227,180,000 Shares	81.14%	280,000,000 Shares	100%	280,000,000 Shares	100%
- Offeror			81,129,477 Shares (consist of 25,959,477 Domestic Shares and 55,170,000 H Shares)	28.97%	118,728,400 Shares (consist of 63,558,400 Domestic Shares and 55,170,000 H Shares)	42.40%
- Ouling Bohui (Note 1)	3,666,390 Domestic Shares	1.31%	3,666,390 Domestic Shares	1.31%	3,666,390 Domestic Shares	1.31%
- Chen Group (Note 2)	125,676,180 Domestic Shares	44.88%	116,595,873 Domestic Shares	41.64%	78,996,950 Domestic Shares	28.21%
- Qianhe Qiju (Note 3)	9,655,590 Domestic Shares	3.45%	-	-	-	-
- Kairui Shiqi (Note 4)	7,223,580 Domestic Shares	2.58%	-	-	-	-
- Kaihui Taiheng (Note 5)	13,437,900 Domestic Shares	4.80%	13,437,900 Domestic Shares	4.80%	13,437,900 Domestic Shares	4.80%
- Tongcheng-Elong Holdings Ltd. (“Tongcheng-Elong”) (Note 6)	2,350,000 H Shares	0.84%	-	-	-	-
- CTrip Hong Kong (Note 7)	14,830,000 H Shares	5.30%	14,830,000 H Shares	5.30%	14,830,000 H Shares	5.30%
- NC Hotels Investment	40,482,540 Unlisted Foreign Shares	14.46%	40,482,540 Unlisted Foreign Shares	14.46%	40,482,540 Unlisted Foreign Shares	14.46%
- OC Hotels (Note 8)	9,857,820 Unlisted Foreign Shares	3.52%	9,857,820 Unlisted Foreign Shares	3.52%	9,857,820 Unlisted Foreign Shares	3.52%
Independent H Shareholders	52,820,000 H Shares	18.86%	-	-	-	-

Total share capital of the Company	280,000,000 Shares	100.00%	280,000,000 Shares	100.00%	280,000,000 Shares	100.00%
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Notes:

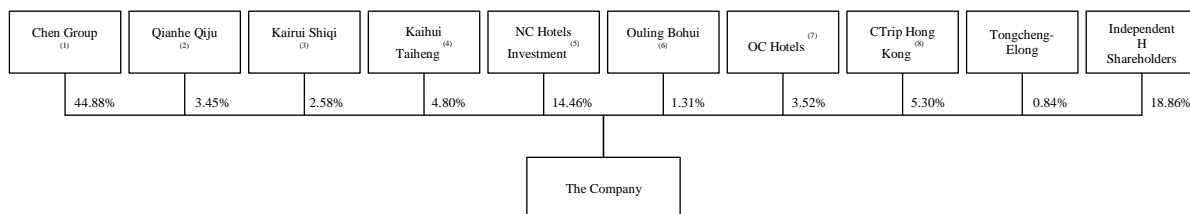
- (1) Ouling Bohui is an Offeror Concert Party by virtue of being a party to the Company Shareholders' Agreement.
- (2) These Domestic Shares are directly held by New Century Tourism, which are owned as to 85.20%, 8.50% and 6.30% by each of Mr. Chen Miaolin, Mr. Chen Canrong (a non-executive Director) and Mr. Zhang Guanming, respectively.
- (3) The general partner of Qianhe Qiju is Mr. Jin Wenjie, an executive Director. Qianhe Qiju is related to the Chen Group and is an Offeror Concert Party by virtue of the Chen Group being parties to the Company Shareholders' Agreement.
- (4) The general partner of Kairui Shiqi is Mr. Chen Miaoqiang, an executive Director. The spouse of Mr. Chen Miaoqiang, Ms. Lu Jun, owns 20% of Kairui Shiqi. Kairui Shiqi is related to the Chen Group and is an Offeror Concert Party by virtue of the Chen Group being parties to the Company Shareholders' Agreement.
- (5) The general partner of Kaihui Taiheng is Mr. Jin Wenjie, an executive Director. Kaihui Taiheng is an Offeror Concert Party by virtue of being a party to the Company Shareholders' Agreement.
- (6) Tongcheng-Elong is an Offeror Concert Party because a fund advised by Ocean Link Partners has an equity interest in Tongcheng-Elong.
- (7) CTrip Hong Kong is an Offeror Concert Party by virtue of being a party to the Company Shareholders' Agreement.
- (8) OC Hotels is an Offeror Concert Party by virtue of being a party to the Company Shareholders' Agreement.
- (9) [As confirmed by UBS, as at the date of this joint announcement, members of the UBS group, being Offeror Concert Parties, do not legally or beneficially own, control or have direction over any Shares, nor were there any borrowing or lending of, or dealing in, Shares (or options, rights over Shares, warrants or derivatives in respect of them) by any members of the UBS group during the period commencing from six months prior to the date of this joint announcement (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary investment clients of the UBS group). Notwithstanding that connected exempt principal traders within the UBS group are not Offeror Concert Parties, Shares held by any such connected exempt principal traders must not be voted in the context of the Offers in accordance with the requirements of Rule 35.4 of the Takeovers Code.]
- (10) The percentage figures in the table above are approximate figures which have been rounded to the second decimal place.

As at the date of this joint announcement, the Company does not have any other outstanding convertible securities, options, warrants or derivatives in issue which confer any right to subscribe for, convert or exchange into Domestic Shares, H Shares or Unlisted Foreign Shares and/or rights over the Domestic Shares, H Shares or Unlisted Foreign Shares in issue.

The simplified shareholding charts of the Company as at the date of this joint announcement, immediately after completion of the Offers and immediately after the Call Option Completion (assuming the Offers are fully accepted, taking into account the undertakings given by the relevant

Shareholders under the Irrevocable Undertakings, and the total issued share capital of the Company remains unchanged) are as follows:

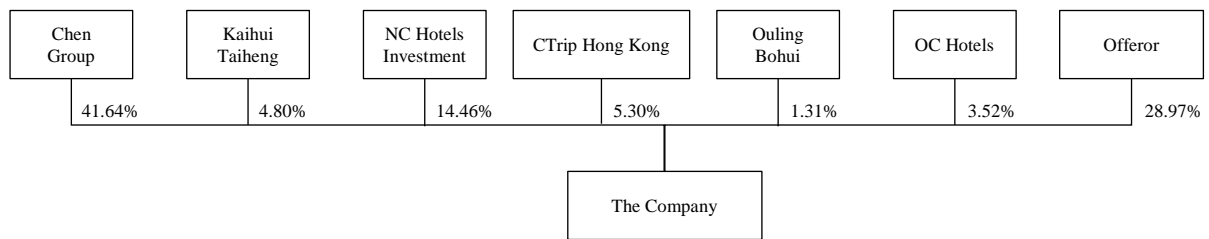
As at the date of this joint announcement:



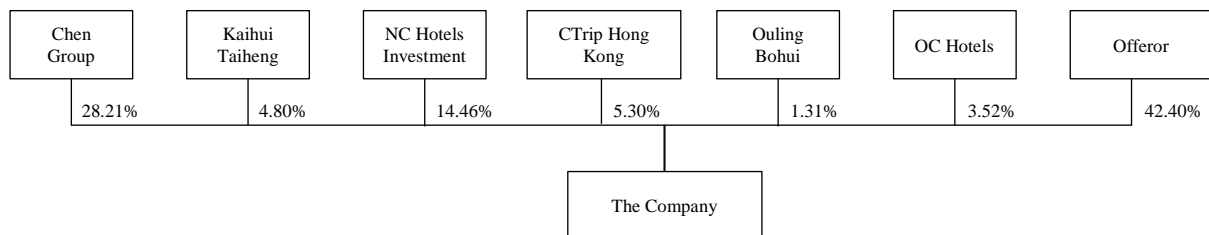
Notes:

- (1) Pursuant to the Chen Irrevocable Undertakings, New Century Tourism will accept the Domestic Share Offer in respect of 9,080,307 Domestic Shares held by it and will not accept the Domestic Share Offer in respect of the remaining 116,595,873 Domestic Shares held by it.
- (2) Pursuant to the Qianhe Qiju Irrevocable Undertakings, Qianhe Qiju will accept the Domestic Share Offer in respect of all the 9,655,590 Domestic Shares held by it.
- (3) Pursuant to the Kairui Shiqi Irrevocable Undertakings, Kairui Shiqi will accept the Domestic Share Offer in respect of all the 7,223,580 Domestic Shares held by it.
- (4) Pursuant to the Kaihui Taiheng Irrevocable Undertakings, Kaihui Taiheng will not accept the Domestic Share Offer in respect of all the 13,437,900 Domestic Shares held by it.
- (5) Pursuant to the Unlisted Foreign Shares Irrevocable Undertakings entered into by NC Hotels Investment, no offer has to be extended to NC Hotels Investment in respect of all the 40,482,540 Unlisted Foreign Shares held by it.
- (6) Pursuant to the Ouling Bohui Irrevocable Undertakings, Ouling Bohui will not accept the Domestic Share Offer in respect of all the 3,666,390 Domestic Shares held by it.
- (7) Pursuant to the Unlisted Foreign Shares Irrevocable Undertakings entered into by OC Hotels, no offer has to be extended to OC Hotels in respect of the 9,857,820 Unlisted Foreign Shares held by it.
- (8) Pursuant to the CTrip Irrevocable Undertakings, CTrip Hong Kong will not accept the H Share Offer in respect of all the 14,830,000 H Shares held by it.

Immediately after completion of the Offers (assuming that (i) the Offers are fully accepted, taking into account the undertakings given by the relevant Shareholders under the Irrevocable Undertakings; and (ii) the total issued share capital of the Company remains unchanged):



Immediately after the Call Option Completion (assuming that (i) the Offers are fully accepted, taking into account the undertakings given by the relevant Shareholders under the Irrevocable Undertakings; and (ii) the total issued share capital of the Company remains unchanged):



As at the date of this joint announcement:

- (a) save for the existing shareholding of the Offeror and the Offeror Concert Parties as set out in the section headed “8. Other information – 8.6 Shareholding structure of the Company”, there is no existing holding of voting rights and rights over Shares which the Offeror owns or over which it has control or direction;
- (b) save for the existing shareholding of the Offeror and the Offeror Concert Parties as set out in the section headed “8. Other information – 8.6 Shareholding structure of the Company”, there is no existing holding of voting rights and rights over Shares which is owned or controlled or directed by the Offeror Concert Parties;
- (c) save for the Irrevocable Undertakings, there is no existing holding of voting rights and rights over Shares in respect of which the Offeror or the Offeror Concert Parties have received an irrevocable commitment to accept or reject the Offers or to vote for or against the Delisting;
- (d) save for the Call Option, there is no existing holding of voting rights and rights over Shares in respect of which the Offeror or the Offeror Concert Parties hold convertible securities, warrants or options;
- (e) save for the Call Option, there is no outstanding derivative in respect of securities in the Company entered into by the Offeror or the Offeror Concert Parties;
- (f) save for the Call Option, there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code between any person and the Offeror or the Offeror Concert Parties in relation to the shares of the Offeror or the Shares and which might be material to the Offers and/or the Delisting;
- (g) there is no agreement or arrangement to which the Offeror is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a condition to the Offers;

- (h) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or the Offeror Concert Parties (other than those with exempt principal trader or exempt fund manager status) have borrowed or lent;
- (i) save for the consideration in respect of acceptance of the Offers, there is no other consideration, compensation or benefits in whatever form provided (or to be provided) by the Offeror or the Offeror Concert Parties to the Independent H Shareholders and any parties acting in concert with them; and
- (j) save for the Shareholders Arrangement, there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) in relation to the Offers between (i) the Offeror or the Offeror Concert Parties on one hand and the Independent H Shareholders and parties acting concert with them on the other hand; and (ii) any Shareholder on one hand and (a) the Offeror and the Offeror Concert Parties, or (b) the Company, its subsidiaries or associated companies on the other hand.

Save for the transfer of 34.83% partnership interest in Qianhe Qiju, which held 9,655,590 Domestic Shares as at the date of this joint announcement, from Hangzhou Qiju Qian Investment Management Co., Ltd. (杭州祺聚謙投資管理有限公司), a company indirectly wholly-owned by New Century Tourism to Mr. Jin Wenjie, the Offeror and the Offeror Concert Parties have not dealt for value in any Shares or any options, warrants, derivatives or securities convertible into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) during the period beginning six months prior to the date of this joint announcement and up to the date of this joint announcement.

8.7 Further terms and general matters relating to the Offers

Hong Kong stamp duty

Seller's ad valorem stamp duty arising in connection with acceptance of the H Share Offer will be payable by each accepting H Shareholder at the rate of 0.1% of (i) the market value of the H Shares; or (ii) the consideration payable by the Offeror for such person's H Shares, whichever is higher, and will be deducted from the cash amount due to such H Shareholder under the H Share Offer. The Offeror will pay the buyer's ad valorem stamp duty on its own behalf.

H Shares will be acquired with all rights attaching thereto and free from all encumbrances

Any acceptance of the H Share Offer by any H Shareholder will constitute a representation and warranty to the Offeror by such H Shareholder that the H Shares acquired under the H Share Offer and sold by such persons are free from all liens, charges, claims, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching thereto as at the date of this joint announcement or subsequently becoming attached thereto, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date of this joint announcement.

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

There are no dividends attaching to the H Shares which are outstanding or in contemplation to be declared as at the date of this joint announcement. The Company

expects that no dividends attaching to the H Shares will be outstanding or in contemplation to be declared before close of the H Share Offer.

Overseas H Shareholders

The Offeror intends to make available the H Share Offer to all H Shareholders (other than holders of the H Shares which are owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the H Share Offer), including those who are resident outside Hong Kong, to the extent practicable.

The making of the H Share Offer to the overseas H Shareholders and/or their ability to participate in the H Share Offer may be subject to the laws of the relevant jurisdictions in which they are resident or domiciled. Any acceptance of the H Share Offer by any H Shareholder will be deemed to constitute a representation and warranty from such H Shareholder to the Offeror and the Company that all applicable legal and regulatory requirements to which they may be subject, including obtaining any governmental, exchange control and other consents, filing and registration and other necessary formalities, and the payment of any transfer or other taxes, have been complied with and that the H Share Offer can be extended to and/or accepted by such H Shareholder lawfully under such requirements. It is the responsibility of the overseas H Shareholders wishing to accept the H Share Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith. H Shareholders should consult their professional advisers if in doubt.

In the event that the despatch of the Composite Document to overseas H Shareholders is prohibited by any relevant law or may only be effected after compliance with conditions or requirements that are unduly burdensome, subject to the Executive's consent, the Composite Document will not be despatched to such overseas Shareholders. The Offeror will apply for such waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Closing Date of the H Share Offer

The H Share Offer will initially be open for acceptances for at least 21 days from the date of the Composite Document. Once all of the conditions under the H Share Offer have been either fulfilled or waived (as applicable), the H Share Offer will be declared unconditional and the H Share Offer will be extended for a subsequent period of at least 28 days before the H Share Offer is closed in order to allow sufficient time for those H Shareholders who have not initially accepted the H Share Offer to accept the H Share Offer or to process the transfer of their H Shares.

If any of the conditions under the H Share Offer is not satisfied or (where applicable) waived on or before the Closing Date, the H Share Offer will lapse unless the offer period is extended by the Offeror.

Composite Document

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into the Composite Document. The Composite Document will contain details of, among other things, the Offers, the expected timetable relating to the Offers, the recommendations of the Independent Board Committee in respect of the Offers, the letter of advice from the independent financial adviser to the Independent Board Committee in respect of the Offers, as well as other particulars

required by the Takeovers Code, and will be despatched to the Shareholders within seven days after the satisfaction of the Pre-Condition. The Offeror [will apply] to the Executive for its consent under Note 2 to Rule 8.2 of the Takeovers Code to permit the Composite Document to be posted within this timeframe.

Meetings

Pursuant to Rule 2.2 of the Takeovers Code, the H Share Class Meeting will be convened for the purpose of passing a resolution by way of poll to approve the Delisting by the Independent H Shareholders, and such approval must be given by at least 75% of the votes attaching to the H Shares held by the Independent H Shareholders that are cast either in person or by proxy; and the number of votes cast against the resolution is not more than 10% of the votes attaching to all of the H Shares held by the Independent H Shareholders. The Offeror and the Offeror Concert Parties are required to abstain from voting at the H Share Class Meeting.

Furthermore, the EGM will be convened for the purpose of passing a resolution by way of poll to approve the Delisting by the Independent H Shareholders, and such approval must be given by at least 75% of the votes attaching to the Shares held by the Independent H Shareholders that are cast either in person or by proxy, and the number of votes cast against the resolution shall be no more than 10% of the votes attaching to all Shares held by the Independent H Shareholders. The Offeror and the Offeror Concert Parties are required to abstain from voting at the EGM.

Notices of the H Share Class Meeting and the EGM will be sent to the relevant Shareholders together with the Composite Document.

8.8 Independent Board Committee

In accordance with Rule 2.1 of the Takeovers Code, an independent committee of the Board has been established to make recommendations as to whether the terms of the Offers are, or are not, fair and reasonable and as to acceptances and whether the Delisting and the Shareholders Arrangement are, or are not, fair and reasonable and as to voting. The Independent Board Committee comprises of all of the non-executive Directors (other than Mr. Chen Canrong, Mr. Jiang Tianyi and Mr. Zhou Rong), namely, Mr. Xie Bingwu, and all of the independent non-executive Directors, namely, Mr. Zhang Rungang, Mr. Khoo Wun Fat William and Ms. Qiu Yun, each of whom has no direct or indirect interest in the Offers, the Delisting and the Shareholders Arrangement. Mr. Chen Canrong, a non-executive Director, is an indirect shareholder of New Century Tourism, an Offeror Concert Party which gives the Chen Irrevocable Undertakings and is a party to the Company Shareholders' Agreement which may affect his independence as a member of the Independent Board Committee. Mr. Jiang Tianyi, a non-executive Director, is the director of the Offeror and therefore an Offeror Concert Party, which may affect his independence as a member of the Independent Board Committee. Mr. Zhou Rong, a non-executive Director, holds senior management positions with Trip.com Group Limited, the parent company of CTrip Hong Kong, an Offeror Concert Party which gives the CTrip Irrevocable Undertakings and is a party to the Company Shareholders' Agreement which may affect his independence as a member of the Independent Board Committee. As such, each of Mr. Chen Canrong, Mr. Jiang Tianyi and Mr. Zhou Rong is excluded from the Independent Board Committee.

An independent financial adviser will be appointed, subject to the approval of the Independent Board Committee, to advise the Independent Board Committee as to whether the terms of the Offers are, or are not, fair and reasonable and as to

acceptances and whether the Delisting and the Shareholders Arrangement are, or are not, fair and reasonable and as to voting. A separate announcement will be made by the Company as soon as possible after the appointment of the independent financial adviser.

9. WITHDRAWAL OF LISTING OF THE H SHARES

Upon the H Share Offer becoming unconditional, the Company will make an application for the Delisting in accordance with Rule 6.12 of the Listing Rules. Shareholders will be notified by way of an announcement of the dates for the last day for dealing in the H Shares and on which the Delisting will become effective.

10. [RESUMPTION OF TRADING IN THE H SHARES

At the request of the Company, trading in the H Shares on the Stock Exchange has been halted from 9:00 a.m. on [*] 2021 pending the release of this joint announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the H Shares on the Stock Exchange with effect from 9:00 a.m. on [*] 2021.]

11. DISCLOSURE OF DEALINGS

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

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

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

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

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. 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.”

WARNING

The Offers are conditional upon the satisfaction (or, where applicable, waiver) of the conditions as described in this joint announcement in all aspects. Accordingly, the Offers may or may not become unconditional and the issue of this joint announcement does not imply that the Offers or the Delisting will be completed. Shareholders and/or potential investors of the Company should therefore exercise caution when dealing in the securities of the Company (including H Shares and any options or rights in respect of them). Persons

who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

12. DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	:	has the meaning given to it in the Takeovers Code, and “parties acting in concert” shall be construed accordingly
“BidCo”	:	Ocean Kunpeng Limited, a company incorporated in the Cayman Islands with limited liability
“BidCo Shareholders’ Agreement”	:	the shareholders’ agreement dated [*] 2021 entered into between Ocean Link, Sequoia China and BidCo in respect of the governance of BidCo
“Board”	:	the board of directors of the Company
“business day”	:	a day on which the Stock Exchange is open for transaction of business
“Chen Group”	:	Mr. Chen Miaolin and New Century Tourism
“Chen Irrevocable Undertakings”	:	the deed of irrevocable undertakings dated [*] 2021 entered into by New Century Tourism and Mr. Chen Miaolin in favour of the Offeror in respect of the Offers
“Closing Date”	:	the date to be stated in the Composite Document as the first closing date of the H Share Offer or any subsequent closing date as may be decided and announced by the Offeror and approved by the Executive
“Company”	:	Zhejiang New Century Hotel Management Co., Ltd. (浙江開元酒店管理股份有限公司), a joint stock company with limited liability incorporated in the PRC with limited liability whose H Shares are listed on the Main Board of the Stock Exchange under stock code 1158
“Company Shareholders’ Agreement”	:	the shareholders’ agreement dated [*] 2021 entered into between the Chen Group, Kaihui Taiheng, OC Hotels, NC Hotels Investment, Ouling Bohui, CTrip Hong Kong, the Offeror and the Company in respect of the governance of the Company following the Delisting
“Composite Document”	:	the composite offer document to be jointly issued by or on behalf of the Offeror and the Company in connection with the Offers in accordance with the Takeovers Code
“Consortium Agreement”	:	the consortium agreement dated [*] 2021 entered into among Sequoia China, Ocean Link, the Offeror and BidCo for the

	:	purpose of governing their respective rights and liabilities in connection with the Offers
“controlling shareholder”	:	has the meaning given to it in the Listing Rules
“CTrip Irrevocable Undertakings”	:	the deed of irrevocable undertakings dated [*] 2021 entered into by CTrip Hong Kong in favour of the Offeror in respect of the Offers
“Delisting”	:	the voluntary withdrawal of the listing of the H Shares from the Stock Exchange
“Directors”	:	the directors of the Company
“Domestic Share(s)”	:	ordinary share(s) in the capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“Domestic Share Offer”	:	the pre-conditional voluntary conditional offer to be made by the Offeror to acquire all of the issued Domestic Shares (other than those already owned or controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the Domestic Share Offer)
“EGM”	:	the extraordinary general meeting of the Shareholders (including any adjournment thereof) to be held to consider and vote on, among other matters, the Delisting and the Shareholders Arrangement
“Equity Investors Group”	:	Sequoia China and Ocean Link
“Executive”	:	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Group”	:	the Company and its subsidiaries
“HK\$”	:	Hong Kong dollar(s), the lawful currency of Hong Kong
“H Share(s)”	:	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK\$ and listed on the Stock Exchange
“H Share Class Meeting”	:	the extraordinary general meeting of the Independent H Shareholders to be convened, and any adjournment thereof for the purpose of approving the Delisting
“H Shareholder(s)”	:	holders of the H Shares
“H Share Offer”	:	the pre-conditional voluntary conditional offer to be made by UBS on behalf of the Offeror to acquire all of the issued H Shares (other than those already owned or controlled or

	:	agreed to be acquired by the Offeror and the Offeror Concert Parties who have undertaken not to accept the H Share Offer)
“Hong Kong”	:	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	:	the independent committee of the Board, comprising all of the non-executive Directors (other than Mr. Chen Canrong, Mr. Jiang Tianyi and Mr. Zhou Rong) and all of the independent non-executive Directors, formed pursuant to Rule 2.1 of the Takeovers Code for the purpose of making recommendations as to whether the terms of the Offers are, or are not, fair and reasonable and as to acceptances and whether the Delisting and the Shareholders Arrangement are, or are not, fair and reasonable and as to voting
“Independent H Shareholders”	:	H Shareholders other than the Offeror or the Offeror Concert Parties and which, for the avoidance of doubt, includes members of the UBS group which have been granted exempt principal trader or exempt fund manager status for the purpose of the Takeovers Code
“Irrevocable Undertakings”	:	the CTrip Irrevocable Undertakings, the Ouling Bohui Irrevocable Undertakings, the Chen Irrevocable Undertakings, the Kaihui Taiheng Irrevocable Undertakings, the Kairui Shiqi Irrevocable Undertakings, the Qianhe Qiju Irrevocable Undertakings and the Unlisted Foreign Shares Irrevocable Undertakings
“Kaihui Taiheng”	:	Ningbo Meishan Bonded Area Kaihui Taiheng Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區開匯泰亨投資管理合夥企業 (有限合夥), a limited partnership registered in the PRC
“Kaihui Taiheng Irrevocable Undertakings”	:	the deed of irrevocable undertakings dated [*] 2021 entered into by Kaihui Taiheng and Mr. Jin Wenjie, the general partner of Kaihui Taiheng, in favour of the Offeror in respect of the Offers
“Kairui Shiqi”	:	Ningbo Meishan Bonded Area Kairui Shiqi Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區開瑞世祺投資管理合夥企業(有限合夥)), a limited partnership registered in the PRC
“Kairui Shiqi Irrevocable Undertakings”	:	the deed of irrevocable undertakings dated [*] 2021 entered into by Kairui Shiqi and Mr. Chen Miaoqiang, the general partner of Kairui Shiqi, in favour of the Offeror in respect of the Offers
“Last Trading Date”	:	[*] 2021, being the last business day for trading in the H Shares on the Stock Exchange immediately before the suspension of trading in the H Shares pending publication of this joint announcement

“Listing Rules”	:	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“New Century Tourism”	:	New Century Tourism Group Co., Ltd. (開元旅業集團有限公司), a company established in the PRC and indirectly owned as to 85.20% by Mr. Chen Miaolin, 8.50% by Mr. Chen Canrong and 6.30% by Mr. Zhang Guanming
“Ocean Link”	:	Ocean Kunpeng Holding Limited, a company incorporated in the Cayman Islands with limited liability
“Ocean Link Partners”	:	Ocean Link and its affiliates
“Offeror”	:	Kunpeng Asia Limited, a company incorporated in Hong Kong with limited liability
“Offeror Concert Party(ies)”	:	party(ies) acting in concert or presumed to be acting in concert with the Offeror
“Offers”	:	the Domestic Share Offer and the H Share Offer
“Ouling Bohui Irrevocable Undertakings”	:	the deed of irrevocable undertakings dated [*] 2021 entered into by Ouling Bohui in favour of the Offeror in respect of the Offers
“PRC”	:	the People’s Republic of China excluding, for the purpose of this joint announcement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Pre-Condition”	:	the pre-condition to the making of the Offers as set out under the section headed “2. Pre-Condition to the Offers and the Delisting”
“Pre-Condition Long Stop Date”	:	31 May 2021, or such later date as the Offeror and the Company may agree
“Qianhe Qiju”	:	Hangzhou Qianhe Qiju Investment Management Partnership (Limited Partnership) (杭州謙和祺聚投資管理合夥企業 (有限合夥)), a limited partnership registered in the PRC
“Qianhe Qiju Irrevocable Undertakings”	:	the deed of irrevocable undertakings dated [*] 2021 entered into by Qianhe Qiju and Mr. Jin Wenjie, the general partner of Qianhe Qiju, in favour of the Offeror in respect of the Offers
“RMB”	:	Renminbi, the lawful currency of the PRC
“SAMR”	:	State Administration for Market Regulation of the PRC
“Sequoia China”	:	SCC Growth VI Holdco I, Ltd., a company incorporated in the Cayman Islands with limited liability

“SFC”	:	Securities and Futures Commission of Hong Kong
“SFO”	:	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
“Share(s)”	:	the Domestic Share(s), the H Share(s) and the Unlisted Foreign Share(s)
“Shareholder(s)”	:	holder(s) of the Shares
“Shareholders Arrangement”	:	the entry by the Chen Group, Kaihui Taiheng, OC Hotels, NC Hotels Investment, Ouling Bohui and CTrip Hong Kong into the Company Shareholders’ Agreement
“Stock Exchange”	:	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	:	Hong Kong Code on Takeovers and Mergers (as amended from time to time)
“UBS”	:	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, the financial adviser to the Offeror in relation to the Offers. UBS AG is incorporated in Switzerland with limited liability
“Unlisted Foreign Share(s)”	:	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each that are held by persons other than PRC nationals or PRC incorporated entities and are not listed on any stock exchange
“Unlisted Foreign Shares Irrevocable Undertakings”	:	the deed of irrevocable undertakings dated [*] 2021 entered into by each of NC Hotels Investment and OC Hotels in favour of the Offeror in respect of the Offers
“%”	:	per cent.

In this joint announcement, unless otherwise stated, the translation of HK\$ into RMB is based on the exchange of rate of HK\$1 to RMB[*]. Such conversion shall not be construed as a representation that amounts in HK\$ were or may have been converted into RMB using such exchange rate or any other exchange rate or at all.

By order of the board of directors of
Kunpeng Asia Limited
JIANG Tianyi
Director

By order of the Board of
Zhejiang New Century Hotel Management
Co., Ltd.
JIN Wenjie
Chairman and Executive Director

The PRC, [*] 2021

As at the date of this joint announcement, the sole director of the Offeror is Mr. Jiang Tianyi.

The sole director of the Offeror accepts full responsibility for the accuracy of the information (other than that relating to the Group, Ocean Link and Sequoia China) contained in this joint announcement and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company, Ocean Link and Sequoia China) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of Ocean Link is Mr. Jiang Tianyi.

The sole director of Ocean Link and Mr. Nanyan Zheng jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Group and Sequoia China) contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company and Sequoia China) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the directors of Sequoia China are Mr. Don Seymour, Mr. Don Wayne Ebanks and Ms. Siu Wai Eva IP.

The directors of Sequoia China and Mr. Nanpeng Shen jointly and severally accept full responsibility for the accuracy of the information (other than that relating to the Group and Ocean Link) contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company and Ocean Link) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises Mr. JIN Wenjie and Mr. CHEN Miaoqiang as executive Directors; Mr. CHEN Canrong, Mr. JIANG Tianyi, Mr. ZHOU Rong and Mr. XIE Bingwu as non-executive Directors; and Mr. ZHANG Rungang, Mr. KHOO Wun Fat William and Ms. QIU Yun as independent non-executive Directors.

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

Schedule 3

LIST OF ADVISORS

<u>Party</u>	<u>Role</u>
Kirkland & Ellis	Hong Kong legal advisor to the Sponsors and the Offeror
King & Wood Mallesons	PRC legal advisor to the Sponsors and the Offeror
UBS AG, Hong Kong Branch	Financial advisor to the Offeror
Ernst & Young	Accounting and tax advisor to the Sponsors and the Offeror
Meritco Group	Commercial due diligence advisor to the Offeror