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SUN ART
Retail Group Limited

PARAGON SHINE LIMITED

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

SUN ART RETAIL GROUP LIMITED

高鑫零售有限公司

*(Incorporated in Hong Kong with limited
liability)*

(Stock Code: 6808)

JOINT ANNOUNCEMENT

- (1) CLOSE OF MANDATORY UNCONDITIONAL OFFERS FOR
SUN ART RETAIL GROUP LIMITED;
(2) RESULTS OF THE OFFERS;
(3) SETTLEMENT OF THE OFFERS;
(4) PUBLIC FLOAT; AND
(5) CHANGE OF NON-EXECUTIVE DIRECTORS**

**Lead Financial Adviser to
Offeror**

Deutsche Bank 

**Joint Financial Adviser to
Offeror**

 **UBS**

**Financial Adviser to Alibaba
Group Holding Limited**

 **CICC
中金公司**

References are made to the composite document jointly issued by the Offeror and the Company dated March 6, 2025 in connection with the Offers (the “**Composite Document**”) and the announcement dated February 27, 2025 (the “**Change of Directors Announcement**”) issued by the Company in relation to, among others, the change of non-executive Directors. Unless otherwise specified, terms used herein shall have the same meanings as defined in the Composite Document.

CLOSE OF THE OFFERS

The Offeror and the Company jointly announce that the Offers were closed at 4:00 p.m. on Thursday, March 27, 2025, and were not further revised or extended by the Offeror.

RESULTS OF THE OFFERS

At 4:00 p.m. on Thursday, March 27, 2025, being the latest time and date for acceptance of the Offers, the Offeror had received:

- (i) 17 valid acceptances electing the Full Upfront Settlement Alternative in respect of a total of 43,858,175 Offer Shares (collectively, the “**Acceptance Shares**”) under the Share Offer, representing approximately 0.46% of the entire issued share capital of the Company as at the date of this joint announcement;
- (ii) no valid acceptance electing the Partial Deferred Settlement Alternative under the Share Offer; and
- (iii) no valid acceptance for the Option Offer.

SETTLEMENT OF THE OFFERS

Based on the 17 valid acceptances in respect of 43,858,175 Offer Shares under the Share Offer at the Full Upfront Alternative Price of HK\$1.38 per Offer Share and given that there is no valid acceptance for the Option Offer, the total consideration of the Offers is HK\$60,524,281.5.

Remittances in respect of the cash consideration (after deducting the Hong Kong seller’s ad valorem stamp duty) payable for the Offer Shares tendered under the Share Offer have been or will be despatched by ordinary post to the relevant Accepting Shareholders by ordinary post to the address specified on the relevant Form of Acceptance at his/her/its own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt of a complete and valid acceptance by the Share Registrar, in accordance with the Takeovers Code.

The latest date for posting remittances in respect of valid acceptances received under the Offers is Tuesday, April 8, 2025.

SHAREHOLDING STRUCTURE OF THE COMPANY

Immediately prior to the commencement of the Offer Period on October 15, 2024, save for the Sale Shares held by the Sellers, neither the Offeror nor any of the Offeror Concert Parties held, owned, controlled or had direction over any Shares or voting rights of the Company or any other relevant securities.

As disclosed in the SPA Completion Announcement, the Offeror and the Company jointly announced that SPA Completion took place on February 27, 2025. Immediately after the SPA Completion, the Offeror and the SPA Additional Purchaser became interested in 7,507,666,581 Shares, representing approximately 78.70% of the entire issued share capital of the Company as at the date of this joint announcement.

Save for (i) the Sale Shares; and (ii) the valid acceptances under the Offers as disclosed in this joint announcement, neither the Offeror nor any of the Offeror Concert Parties (a) held, owned, controlled or directed any Shares or rights over Shares before the Offer Period; (b) acquired or agreed to acquire any Shares or rights over Shares during the Offer Period up to and including the date of this joint announcement; or (c) had borrowed or lent any Shares or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period up to and including the date of this joint announcement.

The following table sets out the shareholding structure of the Company (i) immediately after the SPA Completion and before the commencement of the opening for acceptance of the Offers; and (ii) immediately after the close of the Offers and as at the date of this joint announcement (taking into account the valid acceptances received and subject to the completion of the transfer of the Acceptance Shares to the Offeror and/or Offeror Designated Entities):

| | Immediately after the SPA Completion and before the commencement of the opening for acceptance of the Offers | | Immediately after the close of the Offers and as at the date of this joint announcement | |
|---|---|---------------------------------------|--|---------------------------------------|
| | <i>Number of Shares</i> | <i>Approximate shareholding %</i> | <i>Number of Shares</i> | <i>Approximate shareholding %</i> |
| Offeror | 4,504,599,949 | 47.22 | 4,504,599,949 | 47.22 |
| Offeror Designated Entity (King Salmon Limited) | 0 | 0 | 43,858,175 | 0.46 |
| SPA Additional Purchaser (Lavender Haze Limited) | 3,003,066,632 | 31.48 | 3,003,066,632 | 31.48 |
| Offeror and its concert parties (including Offeror Designated Entity and SPA Additional Purchaser but excluding the Sellers) | 7,507,666,581 | 78.70 | 7,551,524,756 | 79.16 |
| Sellers | | | | |
| A-RT Retail Holdings Limited | 0 | 0 | 0 | 0 |
| Taobao China Holding Limited | 0 | 0 | 0 | 0 |
| New Retail Strategic Opportunities Investments 1 Limited | 0 | 0 | 0 | 0 |
| Subtotal of the Offeror and its concert parties (including the Sellers) | 7,507,666,581 | 78.70 | 7,551,524,756 | 79.16 |
| Directors | | | | |
| HUANG Ming-Tuan ⁽¹⁾ | 68,334,202 | 0.72 | 68,334,202 | 0.72 |
| Other Shareholders | 1,963,703,917 | 20.58 | 1,919,845,742 | 20.12 |
| Total | 9,539,704,700 | 100 | 9,539,704,700 | 100 |

Note:

- Ms. LEE Chih-Lan is the spouse of Mr. HUANG Ming-Tuan. Ms. LEE Chih-Lan holds 66,782,964 Shares through Unique Grand Trading Limited and 1,551,238 Shares under her name. Accordingly, Mr. HUANG Ming-Tuan is deemed to be interested in all of the shares held by Ms. LEE Chih-Lan.

Subject to vesting, Mr. SHEN Hui is interested in 25,000,000 Shares underlying 25,000,000 Options granted to him on March 27, 2024 in accordance with the Share Option Scheme.

NO COMPULSORY ACQUISITION OF THE OFFER SHARES

As the Offeror and the Offeror Designated Entities have not acquired 90% or more of the Offer Shares nor 90% or more of the Independent Shares within the Compulsory Acquisition Entitlement Period, no rights to effect the compulsory acquisition of the remaining Offer Shares have arisen. Therefore, the Company will not apply for the withdrawal of listing of the Shares from the Stock Exchange as a result of the Offers.

PUBLIC FLOAT

Immediately after the close of the Offers and as at the date of this joint announcement, subject to the completion of the transfer of the Acceptance Shares to the Offeror and/or Offeror Designated Entities, 1,919,845,742 Shares, representing approximately 20.12% of the entire issued share capital of the Company as at the date of this joint announcement, are held by the public (as defined under the Listing Rules). Accordingly, the Company satisfies the minimum public float requirement applicable to it, being 19.38% of the issued Shares (imposed pursuant to a waiver granted under Rule 8.08(1)(d) of the Listing Rules to the Company by the Stock Exchange).

CHANGE OF NON-EXECUTIVE DIRECTORS

The Board announces that:

- (i) Immediately after the publication of this joint announcement, Mr. HUANG Ming-Tuan has resigned as a non-executive Director and a member of each of the Nomination Committee and the Remuneration Committee of the Company; and
- (ii) With effect from the date of this joint announcement, Ms. Mengxue MEI has been appointed as a non-executive Director and a member of the Audit Committee of the Company.

Please refer to the Change of Directors Announcement for further details relating to the above changes.

By order of the board of directors of
Paragon Shine Limited
Guannan Wang
Director

By order of the Board of
Sun Art Retail Group Limited
Shen Hui
Executive Director and Chief Executive Officer

Hong Kong, March 27, 2025

As at the date of this joint announcement, the Board comprises SHEN Hui as an executive Director, HUANG Ming-Tuan, Julian Juul WOLHARDT, Guannan WANG and Mengxue MEI as non-executive Directors, and Karen Yifen CHANG, Charles Sheung Wai CHAN and YIH Lai Tak, Dieter as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than any information relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this 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 of the Offeror comprises Guannan WANG, WONG Ngai Sze and Samit GHOSH and the board of DCP General Partner II, Ltd. comprises Haifeng David LIU, Julian Juul WOLHARDT, Allan Keh WOLHARDT, Kim Guan LOH and Samit GHOSH.

The directors of the Offeror and DCP General Partner II, Ltd. jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than any information relating to the Group), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and that there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.