

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 appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of CHERISH Holdings Limited.

CHINA CENTURY HOLDINGS LIMITED

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

CHerish Holdings Limited

東盈控股有限公司

*(Incorporated in Cayman Islands with
limited liability)*

(Stock Code: 2113)

JOINT ANNOUNCEMENT

**(1) SALE AND PURCHASE OF SHARES IN
CHERISH HOLDINGS LIMITED;**

**(2) MANDATORY UNCONDITIONAL CASH OFFER BY
EMPEROR CAPITAL LIMITED**

**ON BEHALF OF CHINA CENTURY HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
CHERISH HOLDINGS LIMITED**

**(OTHER THAN THOSE ALREADY OWNED OR AGREED
TO BE ACQUIRED BY CHINA CENTURY HOLDINGS LIMITED AND
PARTIES ACTING IN CONCERT WITH IT);**

**(3) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE OF
CHERISH HOLDINGS LIMITED;**

AND

(4) RESUMPTION OF TRADING

Financial Adviser to China Century Holdings Limited



英皇融資有限公司
Emperor Capital Limited

THE SALE AND PURCHASE AGREEMENT

The Company was informed by the Vendor that on 19 October 2018, the Vendor, the Guarantors and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Offeror agreed to acquire and the Vendor agreed to sell the Sale Shares, being 397,865,000 Shares in aggregate, representing approximately 51.82% of the entire issued share capital of the Company as at the date of this joint announcement, at a consideration of HK\$254,999,635.80 in aggregate, equivalent to HK\$0.64092 per Sale Share. Completion of the Sale and Purchase Agreement took place on 22 October 2018.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to Completion, the Offeror and parties acting in concert with it did not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately upon Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it owned a total of 397,865,000 Shares in aggregate, representing approximately 51.82% of the entire issued share capital of the Company.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror or parties acting in concert with it).

As at the date of this joint announcement, the Company has 767,750,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares, as at the date of this joint announcement.

Emperor Capital, on behalf of the Offeror, will make the Offer to acquire all the Offer Shares on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

For each Offer Share. HK\$0.641 in cash

The Offer Price of HK\$0.641 per Offer Share is equal to (after rounding up) the purchase price per Sale Share under the Sale and Purchase Agreement which was arrived at after arm's length negotiations between the Offeror and the Vendor. The Offer will be unconditional in all respects.

The Offeror has paid the consideration under the Sale and Purchase Agreement from its own resources and by the Facility. The Offeror intends to fund the consideration payable under the Offer in full by the Facility. Emperor Capital, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Offer.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising Mr. Cheung Wai Lun Jacky, Mr. Lee Chi Ming and Mr. Tang Chi Wai (being all of the independent non-executive Directors) has been established by the Company pursuant to Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders in respect of the Offer, as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

An independent financial adviser will be appointed pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Further announcement(s) will be made by the Company as soon as possible after the independent financial adviser to the Independent Board Committee is appointed.

COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch an offer document containing the terms of the Offer, together with the Form of Acceptance, to the Shareholders within 21 days after the date of this joint announcement, or such later date as the Executive may approve. It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Accordingly, the Composite Document containing, among other things, (i) details of the Offer (including the expected timetable and terms of the Offer); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the independent financial adviser to the Independent Board Committee in relation to the Offer, together with the Form of Acceptance, will be issued and despatched by the Offeror and the Company jointly to the Shareholders in accordance with the Takeovers Code, within 21 days from the date of this joint announcement or such later date as the Executive may approve.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 22 October 2018 pending the publication of this joint announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 25 October 2018.

WARNING

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Offer and the letter of advice from independent financial adviser to the Independent Board Committee.

Shareholders and potential investors are reminded to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Offer and are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

The Company was informed by the Vendor that on 19 October 2018, the Vendor, the Guarantors and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Offeror agreed to acquire and the Vendor agreed to sell the Sale Shares, being 397,865,000 Shares in aggregate, representing approximately 51.82% of the entire issued share capital of the Company as at the date of this joint announcement, at a consideration of HK\$254,999,635.80 in aggregate, equivalent to HK\$0.64092 per Sale Share.

Set out below are the principal terms of the Sale and Purchase Agreement.

THE SALE AND PURCHASE AGREEMENT

Date	19 October 2018
Vendor	Waterfront Palm Limited
Guarantors	Mr. Tang, Mr. Kwok and Ms. Choi
Purchaser	China Century Holdings Limited

For further information of the Purchaser, please refer to the paragraph headed “INFORMATION ON THE OFFEROR” below.

Subject of the Sale and Purchase Agreement

Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell and the Offeror agreed to purchase the Sale Shares, being 397,865,000 Shares, representing approximately 51.82% of the entire issued share capital of the Company as at the date of this joint announcement. The Sale Shares were sold free from all Encumbrances and together with all rights attached to the Sale Shares as at Completion, including the rights to all dividends and distributions which may be declared, paid or made on Completion Date or thereafter.

Consideration for the Sale Shares

The consideration for the Sale Shares is HK\$254,999,635.80 in aggregate, equivalent to HK\$0.64092 per Sale Share, which was agreed between the Offeror and the Vendor after arm's length negotiations. The consideration had been settled in full in cash by the Offeror to the Vendor on Completion.

Completion

Completion of the sale and purchase of all the Sale Shares between the Vendor and the Offeror took place on 22 October 2018.

Immediately after Completion, the Vendor no longer own or control or direct any Shares or any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to Completion, the Offeror and parties acting in concert with it did not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

Immediately upon Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it hold, own, control or have direction over a total of 397,865,000 Shares in aggregate, representing approximately 51.82% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror or parties acting in concert with it).

As at the date of this joint announcement, the Company has 767,750,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares, as at the date of this joint announcement.

Emperor Capital, on behalf of the Offeror, will make the Offer to acquire all the Offer Shares on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.641 in cash

The Offer Price of HK\$0.641 per Offer Share is equal to (after rounding up) the purchase price per Sale Share under the Sale and Purchase Agreement which was arrived at after arm's length negotiations between the Offeror and the Vendor. The Offer will be unconditional in all respects.

The Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all Encumbrances and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made, that is, the date of despatch of the Composite Document.

Comparisons of value

The Offer Price of HK\$0.641 per Offer Share represents:

- (i) a premium of approximately 12.46% over the closing price of HK\$0.570 per Share as quoted on the Stock Exchange on 19 October 2018, being the Last Trading Day;
- (ii) a premium of approximately 39.35% over the average closing price of HK\$0.460 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 40.26% over the average closing price of HK\$0.457 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 35.81% over the average closing price of approximately HK\$0.472 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day; and
- (v) a premium of approximately 198.14% over the audited consolidated net asset value of the Group of approximately HK\$0.215 per Share as at 31 March 2018 (being the date to which the latest audited consolidated annual results of the Group were made up), calculated based on the Group's audited consolidated net assets of approximately HK\$164,732,000 as at 31 March 2018 and 767,750,000 Shares in issue as at the date of this joint announcement.

Highest and lowest Share prices

During the six-month period preceding and including the Last Trading Day, the highest closing price of the Shares was HK\$0.72 per Share as quoted on the Stock Exchange on 15 May 2018 and the lowest closing price of the Shares was HK\$0.425 per Share as quoted on the Stock Exchange on 11 October 2018 and 16 October 2018 respectively.

Value of the Offer

Excluding 397,865,000 Shares held by the Offeror and parties acting in concert with it, the number of Shares subject to the Offer is 369,885,000.

Based on the Offer Price of HK\$0.641 per Offer Share for 369,885,000 Offer Shares, the Offer is valued at HK\$237,096,285.00.

The Company has no other outstanding convertible securities, warrants, options or derivatives in issue which may confer any rights to subscribe for, convert or exchange into Shares (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

Confirmation of financial resources

The Offeror has paid the consideration under the Sale and Purchase Agreement from its own resources and by the Facility. The Offeror intends to fund the consideration payable under the Offer in full by the Facility.

Pursuant to the arrangement of the Facility, amongst others, the Offeror has pledged all its shareholding of 397,865,000 Shares and such additional Shares which the Offeror may have acquired pursuant to the Offer or from time to time in favour of Emperor Securities.

The Facility would be available to satisfy full acceptance of the Offer and would not be affected by the underlying value of the Shares during the Offer Period. However, after the close of the Offer, if the market price of the Shares drops below HK\$0.36 per Share and the Offeror fails to repay such amount of the outstanding indebtedness of the Facility as requested by Emperor Securities within three business days, it constitutes event of default which Emperor Securities has the right to call for immediate repayment of the Facility.

Emperor Capital, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Offer.

Dealing and interest in the Company's securities

Save for the acquisition of the Sale Shares, the Offeror and parties acting in concert with it had not dealt for value in any Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period immediately prior to the date of this joint announcement, being the date of commencement of the offer period.

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

- (i) save for the Sale Shares, the Offeror and the parties acting in concert with it do not own, hold, control or have direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (ii) neither the Offeror nor parties acting in concert with it has received any irrevocable commitment to accept the Offer;
- (iii) there is no outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror or any person acting in concert with it;
- (iv) save for the Facility, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (v) there is no agreement or arrangement to which the Offeror or any person acting in concert with it, is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offer; and

- (vi) there is no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or parties acting in concert with it has borrowed or lent.

Other Disclosure

- (i) other than the consideration under the Sale and Purchase Agreement, there is no other consideration, compensation or benefits in whatever form provided by the Offeror or parties acting in concert with it to the Vendor or parties acting in concert with it in respect of the Sale Shares; and
- (ii) there is no special deal (under Rule 25 of the Takeovers Code) between the Offeror and parties acting in concert with it on one hand and the Vendor and parties acting in concert with it on the other hand.

Effect of accepting the Offer

By accepting the Offer, the Independent Shareholders will sell their Shares to the Offeror free from all liens, charges and Encumbrance and together with all rights attaching to them including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of the Composite Document.

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event, within seven Business Days of the date on which the duly completed acceptances of the Offer and the relevant documents of title in respect of such acceptances are received by the Offeror (or its agent) to render each such acceptance complete and valid.

Hong Kong stamp duty

Seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher. The amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer. The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Taxation advice

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, Emperor Capital, Emperor Securities and their respective ultimate beneficial owners, directors, officers, agents or

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

Overseas Shareholders

The availability of the Offer to any Overseas Shareholders may be affected by the applicable laws and regulations of their relevant jurisdictions of residence. Overseas Shareholders should observe any applicable legal or regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibilities of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant overseas jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such overseas jurisdictions).

If the receipt of the Composite Document by Overseas Shareholders is prohibited by any applicable laws and regulations or may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, will not be despatched to such Overseas Shareholders. In those circumstances, the Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

SHAREHOLDING STRUCTURE OF THE COMPANY

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

	Immediately prior to Completion		Immediately upon Completion and as at the date of this joint announcement	
	<i>Number of Shares</i>	<i>Approximate % of issued Shares (Note 3)</i>	<i>Number of Shares</i>	<i>Approximate % of issued Shares (Note 3)</i>
Waterfront Palm Limited (Note 1)	397,865,000	51.82	—	—
Wealth China International Limited (Note 2)	83,335,000	10.85	83,335,000	10.85
The Offeror	—	—	397,865,000	51.82
Public Shareholders	<u>286,550,000</u>	<u>37.33</u>	<u>286,550,000</u>	<u>37.33</u>
Total	<u>767,750,000</u>	<u>100.00</u>	<u>767,750,000</u>	<u>100.00</u>

Notes:

- 1 Waterfront Palm Limited is beneficially owned as to 50% by Ms. Choi, 40% by Mr. Tang and 10% by Mr. Kwok. Each of Ms. Choi, Mr. Tang, and Mr. Kwok is an executive Director of the Company and a director of Waterfront Palm Limited.
- 2 Wealth China International Limited is beneficially owned as to 100% by Sin Yuk Hung and Li Lin as joint shareholders.
- 3 The percentages are subject to rounding difference, if any.

INFORMATION ON THE GROUP

The Group principally engages in provision of site formation works as a subcontractor in Hong Kong. The site formations works undertaken by the Group generally include (a) general earthworks (including soil and rock excavation, disposal of construction and demolition materials, backfilling and compaction for forming a new site or achieving designed formation level for later development); (b) tunnel excavation works (including rock excavation works for construction of tunnels through drill and break and/or drill and blast methods as well as construction of associated temporary tunnel support structures); (c) foundation works (including excavation and lateral support works and associated structural works for construction of pile caps for commercial and residential building projects); and (d) road and drainage works.

Set out below is a summary of the audited consolidated results of the Company for each of the two financial years ended 31 March 2017 and 31 March 2018 as extracted from the annual report of the Company for the year ended 31 March 2018:

	For the year ended	
	31 March	
	2018	2017
	(audited)	(audited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	192,341	266,167
Profit before taxation	10,931	27,145
Profit and total comprehensive income for the year	8,714	19,746
	As at 31 March	
	2018	2017
	(audited)	(audited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net assets	164,732	156,018

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in British Virgin Islands, the shares of which are owned as to 40% by China Medival, 30% by World Communication and 30% by Xianghua International. China Medival, World Communication and Xianghua International are wholly-owned by Mr. Zhang, Mr. Cao and Mr. Li respectively. Therefore, Mr. Zhang, Mr. Cao and

Mr. Li are the ultimate beneficial owner of the Offeror. As at the date of this joint announcement, Mr. Zhang is the sole director of the Offeror. The Offeror, China Medival, World Communication and Xianghua International are investment holding companies.

Mr. Zhang, who beneficially owns 40% of the Offeror, aged 39, was appointed as the director of China Century Group Limited (中國世紀集團有限公司) on 15 October 2018, a private company incorporated in Hong Kong principally engaged in securities investment, and executive director of Century Investment Holding Group (Shenzhen) Limited* (世紀投資控股集團(深圳)有限公司) on 27 October 2015, a private company established in the People's Republic of China which is principally engaged in the business of investment and corporate management consulting. On 12 March 2015, Mr. Zhang was appointed as a non-executive director of King Force Group Holdings Limited (stock code: 8315) and was then re-designated as an executive director on 21 April 2015 until his resignation on 27 November 2015. Mr. Zhang graduated from Beijing Institute of Business (北京工商學院) with a bachelor degree in business administration in July 2006.

Mr. Cao, who beneficially owns 30% of the Offeror, aged 29, was appointed as the chairman of Shenzhen City Tianyi Qiyuan Cultural Communication Limited* (深圳市天一起源文化傳播有限公司) on 20 February 2016, a company principally engaged in the business of advertisement, corporate management consulting and events management. Mr. Cao obtained a diploma in administrative management from Central South University (中南大學) in January 2013 by way of distant learning.

Mr. Li, who beneficially owns 30% of the Offeror, aged 44, was appointed as the chairman of the board of Chengdu Iris Tourism Group Limited* (成都艾瑞絲旅遊集團有限公司) on 1 December 2017, a company principally engaged in the business of tourism development, hotel management and food and beverages, and the director of International Daily News Inc* (美國國際日報報業集團) in May 2017, a company principally engaged in the sales of newspapers through vendors and vending machines.

Despite not having relevant experience in the business of the Group, Mr. Zhang, Mr. Cao and Mr. Li consider that investing in the Company could diversify and widen the investment portfolio of the Offeror.

Prior to Completion, each of the Offeror and its ultimate beneficial owners was Independent Third Party.

FUTURE INTENTIONS OF THE OFFEROR REGARDING THE GROUP

Upon Completion, the Offeror became a controlling Shareholder. The Offeror intends to continue the principal business of the Group. The Offeror has no intention to discontinue the employment of any employees of the Group (save for changes in the composition of the Board) and dispose of or re-deploy the fixed assets of the Group other than in the ordinary course of business.

The Offeror will, following the close of the Offer, conduct a review of the operations of the Group in order to formulate a long-term strategy for the Group and explore other business or investment opportunities for enhancing its future development and strengthening its revenue base. Subject to the results of the review, the Offeror may explore other business

* For identification purpose only

opportunities for the Company and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of the Company. As at the date of this joint announcement, the Offeror has not identified any such investment or business opportunities.

Proposed change of Board composition

The Board is currently made up of six Directors, comprising three executive Directors, being Mr. Tang, Mr. Kwok and Ms. Choi; and three independent non-executive Directors, being Mr. Cheung Wai Lun Jacky, Mr. Lee Chi Ming and Mr. Tang Chi Wai.

It is intended that all of the six Directors will resign after Completion and with effect from the earliest time permitted under the Takeovers Code. The Offeror intends to nominate new Directors to the Board at the earliest time as allowed under the Takeovers Code and any such appointment will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

Public float and maintaining the listing status of the Company

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

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

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

then the Stock Exchange may exercise its discretion to suspend dealings in the Shares.

In order to ensure that within a reasonable period after the close of the Offer, there will be not less than 25% of the Company's total number of issued Shares held by the public, the Offeror and the new Directors to be nominated by the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps within a reasonable period following the close of the Offer to ensure that at least 25% of the total number of issued Shares will be held by the public.

GENERAL

Independent Board Committee and independent financial adviser

The Independent Board Committee comprising Mr. Cheung Wai Lun Jacky, Mr. Lee Chi Ming and Mr. Tang Chi Wai (being all of the independent non-executive Directors) has been established by the Company, to advise the Independent Shareholders in relation to the terms and conditions of the Offer, in particular as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. The above-named independent non-

executive Directors have no direct or indirect interest or involvement in the Offer. It is considered appropriate for them to be members of the Independent Board Committee in this regard.

An independent financial adviser will be appointed by the Company after approval by the Independent Board Committee to advise the Independent Board Committee in respect of the Offer and in particular as to whether the Offer is, or is not, fair and reasonable and as to the acceptance of the Offer. Further announcement(s) will be made by the Company as soon as possible after the independent financial adviser to the Independent Board Committee is appointed.

Composite Document

It is the intention of the Offeror and the Board that the offer document from the Offeror and the offeree board circular from the Company be combined in a composite offer and response document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document setting out, among other things, (i) details of the Offer (including the expected timetable and terms of the Offer); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the independent financial adviser to the Independent Board Committee in relation to the Offer, together with the Form of Acceptance, will be despatched to the Shareholders within 21 days of the date of this joint announcement or such later date as may be permitted by the Takeovers Code and agreed by the Executive, and in compliance with the requirements of the Takeovers Code and other applicable regulations.

Disclosure of dealings

In accordance with Rule 3.8 of the Takeovers Code, associates (as defined under the Takeovers Code, 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) of the Company and 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 to Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

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

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

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

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 22 October 2018 pending the publication of this joint announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 25 October 2018.

WARNING

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Offer and the letter of advice from independent financial adviser to the Independent Board Committee.

Shareholders and potential investors are reminded to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Offer and are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

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

“acting in concert”	has the same meaning as ascribed to it under the Takeovers Code
“associate(s)”	has the same meaning as ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“China Medival”	China Medival Group Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Zhang

“Company”	CHerish Holdings Limited, an exempted company incorporated in the Cayman Islands on 31 March 2016 with limited liability under the Companies Law (Revised) of the Cayman Islands, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 2113)
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the date on which Completion took place, being 22 October 2018
“Composite Document”	the composite offer and response document to be jointly despatched by the Offeror and the Company to the Shareholders in accordance with the Takeovers Code in respect of the Offer
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules and the term “connected” shall be construed accordingly
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Emperor Capital”	Emperor Capital Limited, a licensed corporation permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, the financial adviser to the Offeror in respect of the Offer
“Emperor Securities”	Emperor Securities Limited, a corporation licensed under the SFO to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities as defined under the SFO
“Encumbrances”	any mortgage, charge, pledge, lien (otherwise than arising by statute or operation of law), hypothecation or other encumbrance, priority or security interest or other third party right, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback or trust arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director

“Facility”	a loan facility of up to HK\$380,000,000 granted by Emperor Securities to the Offeror
“Form of Acceptance”	the form of acceptance and transfer of Shares in respect of the Offer
“Group”	the Company and its subsidiaries
“Guarantors”	Mr. Tang, Mr. Kwok and Ms. Choi
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Board, comprising all of the independent non-executive Directors, formed to advise the Independent Shareholders in respect of the Offer
“Independent Shareholders”	Shareholders other than the Offeror and parties acting in concert with it
“Independent Third Party(ies)”	person(s) or company(s) who/which is/are not connected with the directors, chief executive or substantial shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries, or any of their respective associates
“Last Trading Day”	19 October 2018, being the last full trading day immediately prior to suspension of trading in the Shares pending the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Cao”	Mr. Cao Qian, the sole shareholder of World Communication
“Mr. Kwok”	Mr. Kwok Hoi Chiu, an executive Director, a director and 10% beneficial owner of the Vendor
“Mr. Li”	Mr. Li Xiangzhong, the sole shareholder of Xianghua International
“Mr. Tang”	Mr. Tang Man On, an executive Director, a director and 40% beneficial owner of the Vendor
“Mr. Zhang”	Mr. Zhang Chengzhou, the sole director of the Offeror and the sole shareholder of China Medival

“Ms. Choi”	Ms. Choi Chun Chi Sandy, an executive Director, a director and 50% beneficial owner of the Vendor
“Offer”	the mandatory unconditional cash offer to be made by Emperor Capital for and on behalf of the Offeror for the Offer Shares in accordance with the Takeovers Code
“Offer Price”	the price at which for each of the Offer Share will be made, being HK\$0.641 per Offer Share
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned or agreed to be acquired by the Offeror or parties acting in concert with it
“Offeror”	China Century Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, details of which are set out in the paragraph headed “Information on the Offeror” in this joint announcement
“Overseas Shareholder(s)”	Shareholder(s) whose addresses, as shown on the register of members of the Company, are outside Hong Kong
“Sale and Purchase Agreement”	the sale and purchase agreement dated 19 October 2018 entered into between the Vendor, the Guarantors and the Offeror in relation to the sale and purchase of the Sale Shares
“Sale Shares”	an aggregate of 397,865,000 Shares acquired by the Offeror pursuant to the Sale and Purchase Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Vendor”	Waterfront Palm Limited, a company incorporated in the British Virgin Islands with limited liability which is owned as to 50% by Ms. Choi Chun Chi Sandy, 40% by Mr. Tang Man On and 10% by Mr. Kwok Hoi Chiu

“World Communication”	World Communication International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Cao
“Xianghua International”	Xianghua International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Li
“%”	per cent

For and on behalf of
China Century Holdings Limited
Zhang Chengzhou
Director

By order of the Board
CHerish Holdings Limited
Tang Man On
Chairman

Hong Kong, 24 October 2018

As at the date of this joint announcement, the Board comprises Mr. Tang Man On, Mr. Kwok Hoi Chiu and Ms. Choi Chun Chi Sandy as executive Directors, and Mr. Cheung Wai Lun Jacky, Mr. Lee Chi Ming and Mr. Tang Chi Wai as independent non-executive Directors.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Zhang Chengzhou.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and parties acting in concert with it) 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 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.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Company, the Vendor and their respective associates and parties acting in concert with them) 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 Company) 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.