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CLSA Premium Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6877)

ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE, RULE 13.09 OF THE LISTING RULES AND INSIDE INFORMATION PROVISION UNDER PART XIVA OF THE SECURITIES AND FUTURES ORDINANCE

This announcement is made by CLSA Premium Limited (the “**Company**”) pursuant to Rule 3.7 of the Code on Takeovers and Mergers (the “**Takeovers Code**”) issued by the Securities and Futures Commission, Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the Company’s inside information announcement dated 15 July 2024 (the “**Announcement**”) in relation to the intention of the Company’s controlling shareholder to transfer a portion of the shares in the Company through a public solicitation process. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

UPDATE ON THE SHARES TRANSFER

On 27 December 2024, the Company received a notification from CITIC Securities International Company Limited (“**CSI**”) that CSI has officially published a listing announcement (the “**Listing Announcement**”) on the Shanghai United Assets and Equity Exchange Co., Ltd. (the “**Shanghai UAE Exchange**”) to facilitate the progress of the Shares Transfer.

As requested by CSI, the key terms stated in the Listing Announcement as below are hereby disclosed. The following content of this announcement is provided by CSI and compiled in Chinese. The English translation is for reference only. In case of any discrepancy, the Chinese version shall prevail. The Company and its Directors are not parties to the potential transaction and make no representation as to the accuracy of the relevant content sets out below.

CSI intends to transfer a portion of its holdings in the Company and disclose the information regarding the transfer of ownership rights and organize transaction activities through the Shanghai UAE Exchange. The main conditions of the transaction are as follows:

Number of Shares Proposed for Transfer	813,316,000 ordinary shares, representing 40% of the total issued shares of the Company (subject to the actual proportion at the time of final completion).
Basic Information of the Transferor	CSI is a centrally regulated financial enterprise under the supervision of the Ministry of Finance of the PRC, and it is a subsidiary of CITIC Group Corporation Ltd.. As at the date of this announcement, CSI holds a total of 1,200,310,001 ordinary shares of the Company, representing 59.03% of the total issued shares of the Company. Following the completion of the Shares Transfer, CSI will hold a total of 386,994,001 ordinary shares of the Company, representing 19.03% of the total issued shares of the Company (subject to the actual proportion at the time of final completion).

Status of the Asset Valuation

CSI has appointed China Enterprise Appraisals Consultation Co., Ltd. to assess the market value of the entire shareholders' equity of the Company. As of the valuation date (i.e. 31 December 2023), the asset valuation results have been recorded by CITIC Group Corporation Ltd.. The asset valuation results are as follows:

	<i>(RMB'0,000)</i>	
	Book value	Appraisal value
Total assets	37,781.90	51,236.16
Total liabilities	29,035.15	29,035.15
Net assets	8,746.74	22,201.00
Transfer subject	–	8,880.40

Transfer Price

The minimum transfer price is RMB90,715,005.68. Based on the exchange rate of HKD1:RMB0.92572 as quoted from the People's Bank of China on 26 December 2024, the minimum transfer price in HKD is approximately HKD97,994,000. The transfer price for the Shares Transfer must be paid in HKD.

The final transfer price will be determined by combining the minimum transfer price with the quotations provided by the prospective transferees and considering various factors comprehensively.

Payment Method for the Transfer Price

One lump-sum payment or installment payment.

If the payment is made in installments, the initial payment of the transaction price shall not be lower than 30% of the total transaction price. The transferee should make the payment of the initial installment to the designated bank account of the transferor as specified in the property transaction contract. The transferee should pay the remaining transaction price to the designated bank account of the transferor within one year from the day follow the effective date of the property transaction contract. The transferee should provide transferor with legally recognized and valid guarantees for the remaining transaction price and pay interest for the deferred payment period to the transferor based on the Loan Prime Rate (LPR) in the same period as the loan market quotation.

If the payment is made in a lump sum, the transferee should make the payment of the transaction price to the designated bank account of the transferor as specified in the property transaction contract.

Eligibility Conditions for Transfer

- (1) The prospective transferee should be a legally established and validly existing corporate entity or other economic organisation;
- (2) The prospective transferee should have a sound financial condition and the ability to make the payment;
- (3) The prospective transferee should have a good commercial credit record;

- (4) The prospective transferee's main business should be fundamentally aligned with the current main business of the Company, and the annual main business revenue in the most recent year should not be lower than that of the Company. The prospective transferee should possess abundant industry resources and well-known branded products in the same industry, capable of providing synergistic support for the future business development of the Company;
- (5) The prospective transferee shall comply with other conditions as stipulated by relevant laws and regulations.

**Commencement Date of
Information Disclosure**

30 December 2024

**Information Disclosure
Period**

From 30 December 2024 to 26 January 2025

Bidding Process

- (1) The prospective transferee shall submit their transfer application materials and deposit an amount of RMB4 million (or HKD5 million) to the designated bank account of the Shanghai UAE Exchange before the expiration of the information release period, thus becoming a bidder for the transfer subject;
- (2) Upon the expiration of the information release period, if only one qualified bidder submits the application materials for transfer and transaction deposit, the bidder shall acquire the property rights at a price not lower than the minimum transfer price. Within the specified time limit, the bidder shall make a quotation through the Shanghai UAE Exchange's online bidding platform. If the quotation is higher than or equal to the minimum transfer price, the transferee will be determined. Once identified as the transferee, the bidder shall sign the property transaction contract with the transferor within 5 working days. Upon the expiration of the information release period, if two or more qualified bidders are collected, multiple rounds of online bidding will be conducted to determine the transferee and the transfer price. Once identified as the transferee, the bidder shall sign the property transaction contract in accordance with the requirements of the bidding implementation plan.

The specific terms and transaction process of the Shares Transfer shall be subject to the Listing Announcement, other requirements issued by the Shanghai UAE Exchange and the subsequent business negotiations between the parties involved in the transaction.

POTENTIAL MANDATORY GENERAL OFFER

If the Shares Transfer described in the Listing Announcement is completed according to the terms stated, the intended acquirer will acquire more than 30% of the voting rights in the Company and will replace CSI as the Company's controlling shareholder (as defined in the Listing Rules). Consequently, it may be necessary to make a mandatory general offer to the holders of each class of equity securities of the Company in accordance with Rule 26.1 of the Takeovers Code.

The Company has been informed that as of the date of this announcement, CSI has not engaged in discussions or negotiations with the potential acquirer, nor has it entered into any agreements regarding any potential disposal.

MONTHLY UPDATE

In accordance with Rule 3.7 of the Takeovers Code, monthly update announcement(s) regarding the potential mandatory general offer will be made until the definitive intention to make an offer is announced under Rule 3.5 of the Takeovers Code or a decision is made to discontinue the offer. Further announcement(s) will be made by the Company as and when appropriate or necessary in accordance with the Listing Rules and the Takeovers Code (as the case may be).

SECURITIES OF THE COMPANY

As at the date of this announcement, the relevant securities of the Company (as defined in Note 4 to Rule 22 of the Takeovers Code) consist of 2,033,290,000 issued shares of the Company. Apart from the aforementioned disclosure, as at the date of this announcement, the Company does not have any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

DEALING DISCLOSURE

For the purposes of the Takeovers Code, the offer period for the Company commenced on the date of this announcement, being 29 December 2024. In accordance with Rule 3.8 of the Takeovers Code, respective associates of the Company (as defined in the Takeovers Code, including any person holding or controlling interests of 5% or more in the Company's relevant securities) that, pursuant to Rule 22 of the Takeovers Code, are hereby reminded to disclose any transactions they undertake in relation to securities of the Company.

RESPONSIBILITIES OF STOCKBROKERS, BANKS AND OTHER INTERMEDIARIES

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

"Responsibilities of stockbrokers, banks and other intermediaries

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

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

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

"Executive" referred to above has the meaning ascribed to it under the Takeovers Code."

WARNING

There is no assurance that any transaction described in this announcement will be implemented or eventually completed, leading to a change in control and triggering a mandatory general offer under Rule 26.1 of the Takeovers Code. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company, if they are in doubt regarding their situation, they should consult their professional advisor(s).

By Order of the Board
CLSA Premium Limited
Yuan Feng
Executive Director

Hong Kong, 29 December 2024

As at the date of this announcement, the Directors are:

Executive Directors

Mr. Yuan Feng (*Deputy Chief Executive Officer*)

Mr. Chung Cheuk Fan Marco

Non-executive Directors

Mr. Li Jiong (*Chairman*)

Mr. Xu Jianqiang

Independent non-executive Directors

Mr. Wu Jianfeng

Ms. Hu Zhaoxia

Mr. Ma Anyang