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SOLAR BRIGHT LTD.
*(Incorporated in the British Virgin Islands
with limited liability)*

CHINESE ESTATES HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 127)

JOINT ANNOUNCEMENT

**(1) PROPOSED PRIVATISATION OF CHINESE ESTATES HOLDINGS LIMITED
BY SOLAR BRIGHT LTD. BY WAY OF A SCHEME OF ARRANGEMENT UNDER
SECTION 99 OF THE COMPANIES ACT**

(2) RESULTS OF THE SCHEME MEETING AND THE SGM

(3) LAPSE OF THE PROPOSAL AND THE SCHEME

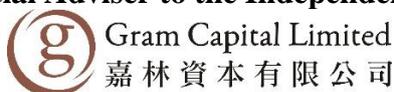
AND

(4) RESUMPTION OF TRADING

Financial Adviser to the Offeror



Independent Financial Adviser to the Independent Board Committee



The Board wishes to announce that the Scheme was disapproved at the Scheme Meeting. The special resolution for the purpose of giving effect to the Scheme as set out in the notice of the SGM was approved by the requisite majority. However, as the Scheme was not approved at the Scheme Meeting, the special resolution will not be put into effect. The proposed privatisation of the Company will not proceed and the listing of the Shares on the Stock Exchange will be maintained.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on Friday, 17 December 2021, pending the release of this announcement. An application has been submitted to the Stock Exchange requesting the resumption of trading in the Shares with effect from 9:00 a.m. on Monday, 20 December 2021.

INTRODUCTION

Reference is made to the composite scheme document dated 24 November 2021 (the “**Scheme Document**”) jointly issued by Solar Bright Ltd. (the “**Offeror**”) and Chinese Estates Holdings Limited (the “**Company**”) in relation to, among other things, the Proposal and the Scheme. Unless otherwise defined, capitalised terms used in this joint announcement shall have the same meanings as those used in the Scheme Document.

RESULTS OF THE SCHEME MEETING

The Scheme Meeting was held at Island Ballroom, Level 5, Island Shangri-La, Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 17 December 2021 at 9:30 a.m. (Hong Kong time) for the purpose of considering and, if thought fit, approving (with or without modifications) the Scheme. Scheme Shareholders whose names appeared on the register of members of the Company as at the Meeting Record Date were entitled to attend and vote, in person or by proxy, at the Scheme Meeting.

For the purposes of Section 99 of the Companies Act, the Scheme must be approved (by way of poll) by a majority in number of the Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting.

For the purposes of Rule 2.10 of the Takeovers Code, the approvals required to be obtained at the Scheme Meeting in respect of the Scheme were as follows:

- (i) the approval of the Scheme (by way of poll) by the Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme Shareholders that are voted either in person or by proxy at the Scheme Meeting; and
- (ii) the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting against the resolution to approve the Scheme at the Scheme Meeting was not more than 10% of the votes attaching to all Scheme Shares held by all the Disinterested Scheme Shareholders.

The poll results in respect of the resolution to approve the Scheme at the Scheme Meeting were as follows:

	Votes cast in person or by proxy ^(Note 1)		
	Total	For the Scheme	Against the Scheme
Number of Scheme Shareholders who were present and voting ^(Notes 2 & 3)	74	10	64
Number of Scheme Shares held by the Scheme Shareholders who were present and voting ^(Note 3)	153,675,955 (100.000000%)	137,141,965 (89.241004%)	16,533,990 (10.758996%)
Number of votes cast by the Disinterested Scheme Shareholders who were present and voting	153,675,955 (100.000000%)	137,141,965 (89.241004%)	16,533,990 (10.758996%)
Approximate percentage of (i) 16,533,990 Shares, being the number of votes cast by the Disinterested Scheme Shareholders against the Scheme over (ii) 408,382,486 Shares, being the number of votes attaching to all the Scheme Shares held by the Disinterested Scheme Shareholders			4.048653%

Notes:

1. All percentage figures are rounded to 6 decimal places.
2. In accordance with the direction from the Court, for the purpose of ascertaining whether or not the requirement that a majority in number of the Scheme Shareholders approved the Scheme under Section 99 of the Companies Act, HKSCC Nominees Limited was counted as one Scheme Shareholder at the Scheme Meeting and based on the information as disclosed in Note 3 below, the vote of HKSCC Nominees Limited was counted as voted in favour of the resolution to approve the Scheme.
3. A total number of 21 CCASS Participants (including any Investor Participants) holding 136,914,201 Scheme Shares voted in favour of the resolution to approve the Scheme, among which, there were (i) 17 CCASS Participants holding 136,827,701 Scheme Shares who lodged the voting instructions to HKSCC Nominees Limited; and (ii) 4 CCASS Participants holding 86,500 Scheme Shares in respect of whom HKSCC Nominees Limited has appointed proxies or representatives to attend and voted at the Scheme Meeting. A total number of 27 CCASS Participants holding 15,482,608 Scheme Shares voted against the resolution to approve the Scheme, among which, there were (i) 18 CCASS Participants holding 14,561,278 Scheme Shares who lodged the voting instructions to HKSCC Nominees Limited; and (ii) 9 CCASS Participants holding 921,330 Scheme Shares in respect of whom HKSCC Nominees Limited has appointed proxies or representatives to attend and voted at the Scheme Meeting. The above information will be disclosed to the Court.

Accordingly, as the Scheme was not approved (by way of poll) by a majority in number of the Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting, the Scheme cannot be put into effect and has therefore lapsed.

As at the date of the Scheme Meeting:

- (i) the Company had 1,907,619,079 Shares in issue;
- (ii) the Offeror and the Offeror Concert Parties, namely Century Frontier and JLLH Investments beneficially owned or controlled 1,430,700,768 Shares in aggregate, representing approximately 74.99% of the issued share capital of the Company;
- (iii) other Offeror Concert Parties (excluding Century Frontier and JLLH Investments), being close relatives of Ms. HW Chan and her spouse, and companies controlled by such close relatives and Scheme Shareholders, owned 68,535,825 Shares in aggregate, representing approximately 3.60% of the issued share capital of the Company; and

- (iv) the Disinterested Scheme Shareholders held 408,382,486 Shares in aggregate, representing approximately 21.41% of the issued share capital of the Company.

As at the date of the Scheme Meeting, the total number of the Scheme Shares entitling the Scheme Shareholders to attend and vote for or against the Scheme at the Scheme Meeting was 476,918,311. In compliance with Rule 2.10 of the Takeovers Code, the Offeror Concert Parties were required to abstain from voting at the Scheme Meeting, and none of the members of the Offeror Concert Parties had voted their Shares at the Scheme Meeting. Save as disclosed above, no Scheme Shareholders were required under the Listing Rules to abstain from voting at the Scheme Meeting, nor did any other person indicate in the Scheme Document that he/she/it intended to abstain from voting in respect of the said resolutions at the Scheme Meeting.

Computershare Hong Kong Investor Services Limited, the Branch Share Registrar, acted as the scrutineer for the vote-taking at the Scheme Meeting.

RESULTS OF THE SGM

The SGM was held at Island Ballroom, Level 5, Island Shangri-La, Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Friday, 17 December 2021 immediately after the conclusion of the Scheme Meeting, for the purpose of considering and, if thought fit, passing of the special resolution as set out in the notice of the SGM.

The poll results in respect of the special resolution proposed at the SGM were as follows:

SPECIAL RESOLUTION	Votes cast in person or by proxy		
	TOTAL	FOR	AGAINST
<p>“THAT for the purposes of giving effect to the Scheme between the Company and the Scheme Shareholders as set out in the Scheme Document and subject to the approval of the Scheme by the Scheme Shareholders at the Scheme Meeting:</p> <p>(a) on the Effective Date (as defined in the Scheme), any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares on the Effective Date be and is hereby approved;</p> <p>(b) subject to and simultaneously with the cancellation of the Scheme Shares, the issued share capital of the Company shall be maintained at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled, credited as fully paid, by applying the credit created in the books of account of the Company as a result of the</p>	<p>1,664,193,126 (100.000000%)</p>	<p>1,647,696,378 (99.008724%)</p>	<p>16,496,748 (0.991276%)</p>

<p>cancellation of the Scheme Shares in paying up in full at par such new Shares;</p> <p>(c) subject to the Scheme taking effect, the withdrawal of listing of the Shares on the Stock Exchange be approved, and any one Director be and is hereby authorised to make application to the Stock Exchange in respect of such withdrawal; and</p> <p>(d) any one Director be and is hereby authorised to do all acts and things as considered by him/her to be necessary or desirable in connection with the implementation and completion of the Proposal, including, without limitation, the giving of consent to any modifications of, or additions or conditions to, the Scheme, which the Court may see fit to impose and to do all other acts and things as considered by him/her to be necessary or desirable in connection with the Proposal or in order to give effect to the transactions referred to above.”</p>			
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Note: All percentage figures are rounded to 6 decimal places.

Accordingly, the special resolution proposed at the SGM was approved by a majority of not less than 75% of the votes casted by the Shareholders, present and voting either in person or by proxy at the SGM. However, as the Scheme was not approved at the Scheme Meeting, the special resolution will not be put into effect.

As at the date of the SGM, the total number of the Shares entitling the Shareholders to attend and vote for or against the special resolution in person or by proxy at the SGM was 1,907,619,079. No Shareholders were required under the Listing Rules to abstain from voting at the SGM, nor did any person indicate in the Scheme Document that he/she/it intended to abstain from voting in respect of the said resolution at the SGM.

Computershare Hong Kong Investor Services Limited, the Branch Share Registrar, acted as the scrutineer for the vote-taking at the SGM.

LAPSE OF THE SCHEME AND THE PROPOSAL

As the Scheme was not approved by the requisite majority in number of the Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting, (a) the Scheme will not be implemented and has therefore lapsed; (b) the Offer Period has ended; and (c) the listing of the Shares on the Stock Exchange will be maintained.

Pursuant to Rule 31.1 of the Takeovers Code, the Offeror and persons acting in concert with it are precluded from announcing another offer for the Shares for a period of 12 months from the date of this announcement, except with the consent of the Executive.

CLOSURE OF REGISTER OF MEMBERS OF CHINESE ESTATES HOLDINGS LIMITED

The register of members of the Company was scheduled to be closed from Friday, 24 December 2021 (or such other date as Shareholders may be notified by an announcement) onwards for the purpose of determining the entitlements of the Scheme Shareholders who are qualified for entitlement to the Cancellation Price under the Scheme. As the proposed privatisation of the Company will not proceed, the register of members of the Company will not be closed during such period.

SUSPENSION AND RESUMPTION OF TRADING OF SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on Friday, 17 December 2021, pending the release of this announcement. An application has been submitted to the Stock Exchange requesting the resumption of trading in the Shares with effect from 9:00 a.m. on Monday, 20 December 2021.

GENERAL

As at 6 October 2021 (being the commencement date of the Offer Period) and as at the date of this joint announcement, the Offeror and the Offeror Concert Parties owned or controlled 1,499,236,593 Shares in aggregate, representing approximately 78.59% of the issued share capital of the Company. Save as disclosed above, none of the members of the Offeror Concert Parties (i) held, controlled or directed any Shares or rights over the Shares immediately prior to the commencement of the Offer Period; or (ii) had acquired or agreed to acquire any Shares or rights over the Shares during the Offer Period. Further, none of the members of the Offeror Concert Parties has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period.

By order of the board of
SOLAR BRIGHT LTD.
Chan, Hoi-wan
Director

By order of the board of
CHINESE ESTATES HOLDINGS LIMITED
Lam, Kwong-wai
Executive Director and Company Secretary

Hong Kong, 17 December 2021

As at the date of this joint announcement, the Board comprises Ms. HW Chan, Ms. Chan, Lok-wan and Mr. Lam, Kwong-wai as executive Directors, Mr. Lau, Ming-wai and Ms. Amy Lau, Yuk-wai as non-executive Directors, and Mr. Chan, Kwok-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun 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 that relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by directors of the Offeror in their capacity as 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.

Website: <http://www.chineseestates.com>

As at the date of this joint announcement, the directors of the Offeror are Ms. HW Chan and Ms. Chan, Sze-wan.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors in their capacity as 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.