



THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2023 ()

IN THE MATTER OF SECTIONS 15 AND 86 OF THE COMPANIES ACT (2023 REVISION) (AS REVISED)

AND IN THE MATTER OF THE GRAND COURT RULES 1995 ORDER 102

AND IN THE MATTER OF Golden Eagle Retail Group Limited 金鷹商貿集團有限公司

PETITION

To: The Grand Court of the Cayman Islands

THE HUMBLE PETITION of Golden Eagle Retail Group Limited 金鷹商貿集團有限公司 shows as follows:

1. The object of this Petition is to seek:
 - a. the sanction of the Grand Court of the Cayman Islands (the “**Grand Court**”), pursuant to section 86 of the Companies Act (2023 Revision) (As Revised) (the “**Companies Act**”), to a proposed scheme of arrangement (the “**Scheme of Arrangement**”) between the petitioner, Golden Eagle Retail Group Limited 金鷹商貿集團有限公司 (the “**Company**”), and the Scheme Shareholders. “Scheme Shareholders” is defined in the Scheme of Arrangement, contained in a composite scheme document (the “**Scheme Document**”) a draft of which is attached as Exhibit “WCK-1” to the first affirmation of Wong Chi Keung which will be sent to, among others, the Scheme Shareholders; and
 - b. the confirmation of the Grand Court, pursuant to section 15 of the

Companies Act, of the reduction of the issued share capital of the Company consequent upon the cancellation and extinguishment of the Scheme Shares (the "**Capital Reduction**") pursuant to the Scheme of Arrangement. The Capital Reduction is expected to be approved by way of a special resolution to be passed at an extraordinary general meeting of the Shareholders (as defined below) to be held as soon as practicable after the conclusion or adjournment of the Court Meeting referred to herein. The "Scheme Shares" is defined in the Scheme of Arrangement as the issued ordinary shares of HK\$0.10 par value each in the share capital of the Company held by the Scheme Shareholders.

Information of the Company

2. The Company is an investment holding company and its subsidiaries (which together with the Company are collectively referred to as the "**Group**") are principally engaged in the activities of lifestyle centre and stylish department store chain development and operation, property development and hotel operation in the People's Republic of China (the "**PRC**").
3. The Company was incorporated under the name of Golden Eagle Retail Group Limited 金鷹商貿集團有限公司 on 20 September 2005 under the Companies Act as an exempted company with registration number 153790.
4. As an exempted company, the objects for which the Company was established are unrestricted, save for generally applicable statutory restrictions on its powers to trade in the Cayman Islands and is otherwise capable of exercising all the functions of a natural person as provided by section 27(2) of the Companies Act.
5. The registered office of the Company is situated at the offices of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in the PRC is at 17th Floor, Block A, Golden Eagle World, No. 888

Yingtian Street, Jianye District, Nanjing, the PRC. The principal place of business of the Company in Hong Kong is at Unit 1206, 12th Floor, Tower 2, Lippo Centre, 89 Queensway, Hong Kong.

Share Capital and Listing

6. As at 6 July 2023 (the "**Latest Practicable Date**"), the Company has an authorised share capital of HK\$500,000,000 divided into 5,000,000,000 ordinary shares of par value HK\$0.10 each (the "**Shares**"), of which 1,660,205,000 Shares have been issued and fully paid-up or credited as fully paid-up and the remainder are unissued.
7. The Company has been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") since 21 March 2006.
8. As at the Latest Practicable Date, Golden Eagle Retail Investment Limited, being the offeror (the "**Offeror**"), did not hold any Shares. The Offeror is a company incorporated in the Cayman Islands with limited liability and wholly owned by GEICO (as hereinafter defined).
9. As at the Latest Practicable Date, parties acting in concert or presumed to be acting in concert with the Offeror (the "**Offeror Concert Parties**") held 1,332,988,000 Shares in aggregate, representing approximately 80.29% of the total number of Shares in issue. Their names and shareholding are as follows:
 - (a) Golden Eagle International Retail Group Limited ("**GEIRG**") held 1,151,268,000 Shares, representing approximately 69.35% of the total number of Shares in issue;
 - (b) RVJD STAR Company ("**RVJD STAR Company**") held 165,880,000 Shares, representing approximately 9.99% of the total number of Shares in issue;

- (c) Mr. Wang Hung, Roger ("**Mr. Wang**"), held 4,000,000 Shares, representing approximately 0.24% of the total number of Shares in issue;
 - (d) Ms. Wang Vivine H ("**Mrs. Wang**"), held 250,000 Shares, representing approximately 0.01% of the total number of Shares in issue; and
 - (e) Ms. Wang Janice S.Y. ("**Ms. Janice Wang**", together with Mr. Wang and Mrs. Wang, the "**Founder Family Members**") held 11,590,000 Shares, representing approximately 0.70% of the total number of Shares in issue.
10. GEIRG is a wholly-owned subsidiary of GEICO Holdings Ltd. ("**GEICO**") which in turn is wholly-owned by The 2004 RVJD Family Trust (the "**Family Trust**"), of which, Mr. Wang, Mrs. Wang and their two daughters including Ms. Janice Wang are beneficiaries.
 11. RVJD STAR Company is a wholly-owned subsidiary of RVJD Holding Limited which is in turn wholly owned by The 2019 RVJD STAR Trust (the "**RVJD STAR Trust**"), a discretionary trust founded by Mr. Wang and Mrs. Wang with Cititrust Private Trust (Cayman) Limited as the trustee.
 12. Mr. Wang is the chairman of the Board of Directors and an executive Director.
 13. Mrs. Wang is the spouse of Mr. Wang.
 14. Ms. Janice Wang is a daughter of Mr. Wang and Mrs. Wang.
 15. The Shares held by GEIRG will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme of Arrangement becoming effective. Since GEIRG is an Offeror Concert Party, it will abstain from voting on the Scheme of Arrangement.
 16. The Shares held by RVJD STAR Company and the Founder Family Members (the "**Rollover Shareholders**") will not form part of the Scheme Shares and they

will not be cancelled and extinguished upon the Scheme of Arrangement becoming effective (the "**Rollover Arrangement**"). The Rollover Shareholders will therefore not be the Scheme Shareholders and they will not vote on the Scheme of Arrangement.

17. Each of the Offeror, GEIRG, RVJD STAR Company and the Founder Family Members has undertaken to the Grand Court that it/he/she will be bound by the Scheme of Arrangement so as to ensure that they will be subject to the terms and conditions of the Scheme of Arrangement.
18. Other than the Shares that are held by the Offeror and the Offeror Concert Parties as mentioned above, as at the Latest Practicable Date, there were 327,217,000 Shares (representing approximately 19.71% of the total number of issued Shares) held by independent shareholders of the Company (the "**Disinterested Scheme Shareholders**") who can vote on the Scheme of Arrangement.
19. On the assumption that there is no other change in the shareholding of the Company from the Latest Practicable Date up to the Effective Date (as defined in the Scheme of Arrangement), the profile of the holders of the Shares (the "**Shareholders**") as at the Effective Date is expected to be as follows:

Shareholders	As at the Latest Practicable Date		As at the Effective Date	
	Number of Shares	%	Number of Shares	%
Offeror	-	-	1,478,485,000	89.06
Offeror Concert Party not subject to the Scheme of Arrangement				
Mr. Wang	4,000,000	0.24	4,000,000	0.24

Mrs. Wang	250,000	0.01	250,000	0.01
Ms. Janice Wang	11,590,000	0.70	11,590,000	0.70
RVJD STAR Company	165,880,000	9.99	165,880,000	9.99
Offeror Concert Party subject to the Scheme of Arrangement and will abstain from voting on the Scheme of Arrangement				
GEIRG	1,151,268,000	69.35	--	--
Disinterested Scheme Shareholders who are independent of the Offeror	327,217,000	19.71	--	--
Total Shares in issue	1,660,205,000	100	1,660,205,000	100
Total number of Scheme Shares (which represent all issued Shares except for those held by the Rollover Shareholders)	1,478,485,000	89.06	--	--

* * All percentages in the above table are approximations.

Information of the Offeror and the Offeror Concert Parties

20. The Offeror is a company incorporated under the laws of the Cayman Islands with limited liability on 31 March 2023. Its registered office is at the offices of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Offeror is directly wholly-owned by GEICO which in turn is wholly-owned by the Family Trust, of which, Mr. Wang, Mrs. Wang and their two daughters including Ms. Janice Wang are beneficiaries.
21. As disclosed in paragraph 9, GEIRG, RVJD STAR Company and the Founder

Family Members are Offeror Concert Parties and each of them has provided its/his/her undertaking to be bound by the terms of the Scheme of Arrangement.

Purpose of the Scheme of Arrangement

22. The purpose of the Scheme of Arrangement is to privatise the Company so that the Company will become a wholly-owned subsidiary of the Offeror and the Rollover Shareholders (each being an Offeror Concert Party). This will be achieved by the steps summarised in paragraph 24 below.
23. After the Scheme of Arrangement becomes effective, the Company will proceed to make application to withdraw the listing of the Shares on the Hong Kong Stock Exchange.

Principal Features of the Scheme of Arrangement

24. The principal features of the Scheme of Arrangement are:
 - a. the Capital Reduction, by the cancellation and extinguishment of the Scheme Shares held by the Scheme Shareholders pursuant to the Scheme of Arrangement, in consideration of which the Scheme Shareholders will receive HK\$6.88 for each Scheme Share cancelled and extinguished (the “**Cancellation Price**”) which will be satisfied by way of: (a) payment of cash to the Disinterested Scheme Shareholders; and (b) credited as fully paid the nil paid shares of the Offeror held by GEICO at the direction of GEIRG as detailed in paragraph 25 below;
 - b. subject to and simultaneously with the Capital Reduction taking effect, the number of issued Shares in the share capital of the Company being restored to its former amount by the allotment and issue to the Offeror, credited as fully paid at par, the same number of new Shares as the number of Scheme Shares cancelled and extinguished at the Effective Date (as defined in the Scheme of Arrangement) (the “**Restoration of**

Capital"); and

- c. the credit arising in the books of account of the Company as a result of the Capital Reduction resulting from the cancellation and extinguishment of the Scheme Shares pursuant to the Scheme of Arrangement being applied in paying up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished at the Effective Date, which shall be allotted and issued to the Offeror as mentioned in paragraph 24 (b) above.
25. In respect of the settlement of the Cancellation Price, the Offeror will pay the Cancellation Price in cash to the Disinterested Scheme Shareholders whereas pursuant to a share swap undertaking dated 28 May 2023 entered into by GEIRG in favour of the Offeror, GEIRG has agreed that the Cancellation Price will be satisfied by the Offeror crediting as fully paid 100 nil-paid shares of the Offeror (representing 100% of the issued share capital of the Offeror) held by GEICO at the direction of GEIRG. The Scheme of Arrangement is conditional upon the Capital Reduction becoming effective.

Reasons for the Scheme of Arrangement

For the Scheme Shareholders

Cancellation Price represents an attractive exit premium

26. The Cancellation Price represents a significant premium ranging from approximately 40.41% to approximately 66.59% over the average closing price per Share for the period as set out in the paragraph headed "Cancellation Price" under the section headed "Terms of the Proposal" in the joint announcement dated 28 May 2023 (the "**Joint Announcement**"). The Cancellation Price also represents a premium of approximately 10.79% over the audited consolidated net asset value attributable to Shareholders per Share of approximately HK\$6.21

as at 31 December 2022. In light of the challenging market environment and execution, market and financial risks in implementing a long-term strategy for business growth, the Offeror considers that the Scheme of Arrangement provides an attractive opportunity for the Disinterested Scheme Shareholders to dispose of their Scheme Shares at an attractive premium to the prevailing market price and to lower the risk of suffering from illiquidity discount and settlement risk.

An opportunity for Scheme Shareholders to monetise the Shares

27. The trading liquidity of the Shares has been at a low level over a prolonged period in recent years. The average daily trading volume of Shares for the six-month period, 12-month period and 24-month period up to and including 19 May 2023 were approximately 95,943 Shares, 65,047 Shares and 130,859 Shares per trading day, representing only approximately 0.01%, 0.00% and 0.01% respectively of the total number of Shares in issue as at the date of the Joint Announcement. The low trading liquidity of the Shares could make it difficult for the Disinterested Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. As such, the Scheme of Arrangement presents an immediate opportunity for the Disinterested Scheme Shareholders to monetise their investments for cash and redeploy the proceeds from accepting the Scheme into other investment opportunities.

For the Offeror and the Company

Limited usage of the listing platform

28. The Company has not conducted any equity fund raising activities in recent years, due to the relatively low liquidity in the trading of the Shares as aforesaid and the downward trend of the closing price of the Shares. Under such circumstances, the Company is unable to fully utilise its current listing platform as a source of funding for its long term growth. It is expected that continued listing of the Shares may not provide any meaningful benefit to the Company in the near

future given the adverse business environment faced by the Group.

Reducing cost and expenses of maintaining the Company's listing status while enabling the Offeror to run the business of the Group in a more efficient and effective way

29. The Scheme of Arrangement, which entails the delisting of the Company, is expected to reduce the administrative, compliance and other listing-related costs and management resources associated with maintaining the Company's listing status and compliance with regulatory requirements. It could also provide more flexibility to the Offeror and the Group to achieve long-term commercial development and to maintain competitiveness in the challenging market environment, free from the pressure of market expectations, share price fluctuations and additional costs and expenses that may arise from the Company being a publicly listed company.
30. Taking into account the above reasons and factors and after careful consideration, the Board of Directors of the Company (with Mr. Wang (being an Offeror Concert Party) abstained from voting) concluded that the terms of the Scheme of Arrangement are fair and reasonable and is in the interests of the Shareholders as a whole. Accordingly, the Board of Directors of the Company (with Mr. Wang (being an Offeror Concert Party) abstained from voting) approved the Scheme of Arrangement. The independent non-executive Directors of the Company has formed an independent board committee and would make recommendation to the Disinterested Scheme Shareholders after having received and considered the opinion from the independent financial adviser.
31. Under the Takeovers Code, persons presumed to be acting in concert with the Offeror in connection with the implementation of the Scheme of Arrangement and who are also Scheme Shareholders shall not be counted (unless permitted by the Securities and Futures Commission of Hong Kong ("**SFC**")) for the purposes of satisfying the voting requirements of the Takeovers Code. The Scheme Shareholders who are parties acting in concert with the Offeror will abstain from

voting and will therefore not vote on the Scheme of Arrangement at the Court Meeting and other Scheme Shareholders (being Disinterested Scheme Shareholders) will vote at the Court Meeting.

32. The Company intends to make an application for directions herein for declarations and orders that, among other things:
 - a. the relevant class of shareholders of the Company affected by the Scheme of Arrangement is the Scheme Shareholders and only the Scheme Shareholders shall be entitled to vote (as single class) at the Court Meeting with the Scheme Shareholders who are parties acting in concert with the Offeror abstaining from voting;
 - b. the Company be at liberty to convene and hold a court meeting of the Scheme Shareholders (voting together as a single class with the Scheme Shareholders who are parties acting in concert with the Offeror abstaining from voting) (the “**Court Meeting**”) for the purpose of considering and, if thought fit, approving (with or without modification(s)) the Scheme of Arrangement;
 - c. directions as to the mode of delivery of an explanatory memorandum and proxy form to the Scheme Shareholders; and
 - d. the appointment of a chairman of the Court Meeting and for the conduct of the Court Meeting generally.
33. The Company proposes to convene the Court Meeting in accordance with section 86 of the Companies Act to be held on or around 15 September 2023 or as soon as possible after the Scheme Document has been approved or cleared by the Hong Kong Stock Exchange and the SFC at which the following resolution (with such amendment(s) as may be approved at the Court Meeting) will be considered (each of the capitalised terms referred to in the resolution below are

defined in the Scheme Document):

“THAT a scheme of arrangement (the “Scheme of Arrangement”) dated 23 August 2023 between the Company and the Scheme Shareholders (as defined in the Scheme of Arrangement) in the form of the print thereof which has been produced to this Court Meeting and, for the purpose of identification signed by the chairman of this Court Meeting, or in such other form and on such terms and conditions as may be approved or imposed by the Grand Court of the Cayman Islands, be and is hereby approved.”

34. The Scheme Shareholders who are persons acting in concert with the Offeror in connection with the implementation of the Scheme of Arrangement will abstain from voting at the Court Meeting.

35. Article 6 of the articles of association of the Company provides as follows:

“The Company may from time to time by special resolution, subject to any confirmation or consent required by the Law, reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.”

36. The Company intends to convene an extraordinary general meeting of the Shareholders to take place as soon as practicable after the conclusion or adjournment of the Court Meeting at which it is intended to submit, among others, a special resolution to confirm the Capital Reduction pursuant to the Scheme of Arrangement and an ordinary resolution to approve the Restoration of Capital. These resolutions are set out below.

SPECIAL RESOLUTION

- (1) THAT:
- a. pursuant to a scheme of arrangement dated 23 August 2023 (the

“Scheme of Arrangement”) between the Company and the Scheme Shareholders (as defined in the Scheme of Arrangement) in the form of the print thereof, which has been produced to this meeting and for the purposes of identification signed by the chairman of this meeting, or in such other form and on such terms and conditions as may be approved or imposed by the Grand Court of the Cayman Islands, on the Effective Date (as defined in the Scheme of Arrangement), the issued shares in the share capital of the Company shall be reduced by the cancellation and extinguishment of the Scheme Shares (as defined in the Scheme of Arrangement); and

- b. any one of the directors of the Company be and is hereby authorised to do all acts and things considered by him to be necessary or desirable in connection with the implementation of the Scheme of Arrangement and the reduction of the number of issued shares in the share capital of the Company pursuant to the Scheme of Arrangement, including (without limitation) giving consent to any modification of, or addition to, the Scheme of Arrangement or the reduction of the number of issued shares in the share capital of the Company which the Grand Court of the Cayman Islands may see fit to impose.

ORDINARY RESOLUTION

(2) THAT:

- a. subject to and simultaneously with the cancellation and extinguishment of the Scheme Shares referred to in resolution 1(a) taking effect, the number of issued Shares in the share capital of the Company be restored to the number prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Offeror (as defined in the Scheme of Arrangement), credited as fully paid at par, the same number of new ordinary shares of HK\$0.10 each in the share capital of the Company as

is equal to the number of Scheme Shares cancelled and extinguished;

- b. the credit arising in the books of account of the Company consequent upon the reduction of its issued share capital resulting from the cancellation and extinguishment of the Scheme Shares referred to in resolution 1(a) shall be applied by the Company in paying up in full at par the new ordinary shares allotted and issued to the Offeror pursuant to resolution 2(a) above, and any one of the directors of the Company be and is hereby authorised to allot and issue the same accordingly; and
 - c. any one of the directors of the Company be and is hereby authorised to do all acts and things considered by him to be necessary or desirable in connection with the implementation of the Scheme of Arrangement and the restoration of capital pursuant to the Scheme of Arrangement, including (without limitation) the giving of consent to any modification of, or addition to, the Scheme of Arrangement or the restoration of capital, which the Grand Court of the Cayman Islands may see fit to impose.
37. The Scheme of Arrangement and the Capital Reduction would not involve any diminution of liability in respect of any unpaid share capital or the payment to any member of the Company of any paid up capital or alteration of the underlying assets, business operations, management or financial position of the Company and would have no effect on the creditors of the Company. It is to be noted that the Capital Reduction and the Restoration of Capital will occur simultaneously. The Company will continue to be able to pay its debts as they fall due in the ordinary course of business. It is therefore proposed to dispense with preparing a list of creditors.
38. The form of Minute proposed to be registered in relation to the Capital Reduction pursuant to the Scheme of Arrangement is as follows:

“The issued shares of par value HK\$0.10 each (the “Shares”) in the share capital of Golden Eagle Retail Group Limited 金鷹商貿集團有限公司 was by virtue of a Special Resolution passed on 2023 and with the sanction of an Order of the Grand Court of the Cayman Islands dated 2023 reduced from HK\$ divided into Shares to HK\$ divided into Shares (the “Capital Reduction”). Simultaneously with the Capital Reduction, the issued Shares in the share capital of Golden Eagle Retail Group Limited 金鷹商貿集團有限公司 was restored to HK\$ by allotting and issuing to Golden Eagle Retail Investment Limited, credited as fully paid at par, Shares.

The authorised share capital of the Company, on the registration of this Minute, is HK\$500,000,000 divided into 5,000,000,000 ordinary shares of par value HK\$0.10 each.”

39. The completed Minute will be provided to the Grand Court before the sanction of the Capital Reduction pursuant to the Scheme of Arrangement by the Grand Court.
40. Your petitioner, the Company therefore prays as follows:
 - a. That the Scheme of Arrangement to be approved at the Court Meeting to be convened and held at the direction of this Honourable Court be sanctioned by this Honourable Court so as to be binding on the Company, the Scheme Shareholders and the Offeror.
 - b. That the Capital Reduction may be confirmed and that the Minute mentioned in paragraph 38 may be approved by the Grand Court.
 - c. That the preparation of a list of creditors for the Scheme of Arrangement be dispensed with.
 - d. That to this end, all necessary inquiries and directions may be made and

given.

- e. Such further or other order or relief as this Honourable Court shall see fit.

And your Petitioner will ever pray etc.

Dated this 12th day of July 2023

Conyers Dill & Pearman LLP
Conyers Dill & Pearman LLP
Attorneys-at-Law for the Petitioner herein

NOTE: It is intended to serve this Petition on Golden Eagle Retail Group Limited 金鷹商
貿集團有限公司 at its registered office located at Cricket Square, Hutchins Drive, P.O.
Box 2681, Grand Cayman KY1-1111, Cayman Islands.

This Petition was filed by Conyers Dill & Pearman LLP, Attorneys-at-Law for and on behalf of the Petitioner herein whose address for service is that of its said Attorneys-at-Law, SIX, Cricket Square, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands

Notice of Hearing

This Petition, having been presented to the Grand Court on the day of
2023, will be heard at the Law Courts, George Town, Grand Cayman on the
3rd day of October 2023 at 10 a.m. or as soon thereafter as the Petition can be heard.