



IN 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 (AS REVISED)

AND IN THE MATTER OF ORDER 102 OF THE GRAND COURT RULES 1995 (AS REVISED)

AND IN THE MATTER OF PINE CARE GROUP LIMITED 松齡護老集團有限公司

PETITION

To: The Grand Court of the Cayman Islands

THE HUMBLE PETITION OF PINE CARE GROUP LIMITED 松齡護老集團有限公司,
whose registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand
Cayman KY1-111, Cayman Islands shows the following:

Object of the Petition

1. The object of this Petition is to seek the sanction of the Court, pursuant to section 86 of the Companies Act (as revised) (the "**Companies Act**"), to a proposed scheme of arrangement (the "**Scheme**") between the petitioner, Pine Care Group Limited 松齡護老集團有限公司 (the "**Company**") and the Scheme Shareholders

(as defined in the composite scheme document) (the “**Scheme Document**”), a draft of which is attached as Exhibit “CYK-1” to the first affirmation of CHAN Yip Keung made on 21 November 2023.

The Company

2. The Company was incorporated under the name “Pine Care Group Limited 松齡護老集團有限公司” on 18 August 2015 under the Companies Act as an exempted company with registration number CT-303192.
3. 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 and the principal place of business of the Company in Hong Kong is at G/F, 1 Koon Wah Lane, 68–72 Yuk Wah Street, Tsz Wan Shan, Kowloon, Hong Kong.
4. The objects for which the Company was established are unrestricted and include (a) to act and to perform all the functions of a holding company, and (b) to act as an investment company. The Company is otherwise capable of exercising all the functions of a natural person as provided by section 27(2) of the Companies Act. The Company and its subsidiaries are primarily engaged in the provision of residential care homes for the elderly and senior care services.
5. As at the date of this Petition, the Company has an authorised share capital of HK\$50,000,000 divided into 5,000,000,000 ordinary shares of a nominal or par value of HK\$0.01 each (the “**Shares**”), of which 902,880,000 have been issued and fully paid-up or credited as fully paid-up and the remainder are unissued.
6. The Shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

7. On 17 November 2023, being the latest practicable date before the date of this Petition, the major shareholders of the Company (“Shareholders”) are as follows:-

Shareholders	No. of Shares	Approximate % (Note 1)
Diamond Ridge Holdings Limited (the “Offeror”)	870,836,050	96.45
Scheme Shareholders (including the Committed Shareholders)(Note 2)		
Committed Shareholders (as defined in the Scheme Document)		
- TSB Estate (as defined in the Scheme Document)	9,400,000 (Note 3)	1.04
- Mr. Chan Yip Keung	888,000 (Note 4)	0.10
Sub-total	10,288,000	1.14
Other Scheme Shareholders	21,755,950	2.41
Aggregate number of Shares held by Scheme Shareholders	32,043,950	3.55
Total number of Scheme Shares	32,043,950	3.55
Total number of Shares	902,880,000	100.00

Notes:

- (1) The shareholding percentages in the table are subject to rounding adjustment.
- (2) Other than Mr. Chan Yip Keung, none of the Directors hold any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Hong Kong Code on Takeovers and Mergers (as revised from time to time) of the Company as at the Latest Practicable Date.
- (3) These 9,400,000 Shares are held by the TSB Estate.
- (4) These 888,000 Shares are held by Mr. Chan Yip Keung who is an executive Director.

The Offeror

8. The offeror is Diamond Ridge Holdings Limited (the “**Offeror**”), an investment holding company incorporated in the British Virgin Islands with limited liability on 18 May 2022. Its registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.
9. The Offeror will undertake to be bound by the terms of the Scheme.

The Scheme

10. The purpose of the Scheme is to privatise the Company and de-list the Company from the Stock Exchange so that the Offeror will hold 100% of the issued shares of the Company.
11. The Scheme involves:
 - (a) the cancellation of all Scheme Shares in return for payment of a cancellation price of HK\$0.89 per Scheme Share (the “**Cancellation Price**”) by the Offeror;
 - (b) the issued share capital of the Company being maintained at the same amount as immediately before the Scheme by the issue to the Offeror, simultaneously with the cancellation of the Scheme Shares, of an aggregate number of new Shares as is equal to the number of Scheme Shares cancelled; and
 - (c) the Company applying the reserve created in its books of account as a result of the cancellation of the Scheme Shares in paying up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror.

12. The Scheme provides the Scheme Shareholders with an attractive opportunity to realise their investments and interests in the Company for cash and redeploy the proceeds from the Scheme into other investment opportunities. The Cancellation Price is fully explained in the Scheme Document together with the recommendation from the Independent Financial Advisor (as defined in the Scheme Document) and the Independent Board Committee (as defined in the Scheme Document).
13. After careful consideration, the board of directors of the Company (with the interested directors abstaining) has determined that the Scheme is in the best interests of the Company.
14. Under the Takeovers Code, unless permitted by the Securities and Futures Commission of Hong Kong, Scheme Shareholders who are acting in concert with the Offeror in relation to the implementation of the Scheme may not be counted for the purposes of satisfying the voting requirements of Rule 2.10 of the Takeovers Code but may be counted for the purposes of satisfying the voting requirements of section 86 of the Companies Act.
15. The Company intends to make an application for directions, declarations and orders that, amongst other things:
 - (a) all Scheme Shareholders form one class for the purpose of approving the Scheme and are identified as one class in the Scheme Document;
 - (b) the Company be at liberty to convene a meeting of the Scheme Shareholders (the "**Court Meeting**") for the purpose of considering and, if thought fit, approving the Scheme (with or without modification);

- (c) directions as to the mode of delivery of the Scheme Document (including an explanatory memorandum) together with a 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.
16. The Company proposes to convene the Court Meeting at which the following resolution (with such amendments as may be approved at the Court Meeting) will be considered:

*“THAT a scheme of arrangement (the **“Scheme of Arrangement”**) dated 22 December 2023 between the Company and the Scheme Shareholders (as defined in Scheme) in the form of the print thereof which has been produced to the meeting and, for the purpose of identification signed by the chairman of the meeting, or in such other form and on such terms and conditions or may be approved or imposed by the Grand Court of the Cayman Islands, be and is hereby approved.”*

17. Each of the capitalised terms referred to in the resolution above are defined in the Scheme Document exhibited as Exhibit “CYK-1” to the first affirmation of CHAN Yip Keung which will be sent to all Scheme Shareholders (with the possible exception of overseas Shareholders (as explained in the Scheme Document).

Effect of the Scheme on issued share capital

18. Article 6 of the second amended and restated 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 [Companies Act], reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.”

19. Whilst the issued share capital of the Company will remain the same pre and post the Scheme, as a precautionary measure the Company intends to hold an extraordinary general meeting immediately after the Court Meeting to submit a special resolution (set out below) to approve any reduction of capital associated with the Scheme and an ordinary resolution (set out below) to authorise the simultaneous issue of new Shares, equal in number to the Scheme Shares cancelled, credited as fully paid to the Offeror, so that there is no change in the issued the share capital of the Company after the implementation of the Scheme.

SPECIAL RESOLUTION

1. **“THAT:**
 - (a) for the purpose of giving effect to the scheme of arrangement between the Company and the Scheme Shareholders (**“Scheme”**) as set out in the scheme document of the Company dated 22 December 2023 (**“Scheme Document”**) and subject to the approval of the Scheme by the Scheme Shareholders at the Court Meeting, on the Effective Date, any reduction of the issued share capital of the Company associated with the cancellation of the Scheme Shares be and is hereby approved.
 - (b) the directors of the Company be and are hereby authorised to do all acts and things considered by them to be necessary or desirable in connection with the implementation of the Scheme and the reduction of the number of issued

shares in the share capital of the Company pursuant to the Scheme, including (without limitation) giving consent to any modification of, or addition to, the Scheme 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 of the Scheme Shares, the number of issued shares in the share capital of the Company be restored to its former amount by allotting and issuing to Diamond Ridge Holdings Limited, credited as fully paid at par, the same number of ordinary shares (“**Shares**”) of HK\$0.01 each in the share capital of the Company as is equal to the number of Scheme Shares cancelled;
- (b) the credit arising in the books of account of the Company consequent upon any reduction of its issued share capital resulting from the cancellation of the Scheme Shares shall be applied by the Company in paying up in full at par the new Shares allotted and issued to Diamond Ridge Holdings Limited pursuant to sub-paragraph (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) the directors of the Company be and are hereby authorised to do all acts and things and/or sign all such documents as considered by them to be necessary for or desirable in connection with the implementation of the Proposal and the Scheme, including (without limitation) (i) the making of an

application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange, subject to the Scheme taking effect; (ii) any reduction of the issued share capital of the Company; (iii) the allotment and issue of the Shares referred to in sub-paragraph (a) above; and (iv) the giving, on behalf of the Company, of consent to any modification of, or addition to, the Scheme, which the Grand Court of the Cayman Islands may see fit to impose and to do all other acts and things and/or sign all such other documents considered by them to be necessary for or desirable in connection with the implementation of the Scheme.”

20. The Scheme will 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 other monies by the Company or alteration of the underlying assets, business operations, management or financial position of the Company and will have no effect on the creditors of the Company. The Company will continue to be able to pay its debts as they fall due in the ordinary course of business.
21. The Company therefore humbly prays as follows:
 - (a) That the Scheme to be approved at the Court Meeting to be convened at the direction of this Honourable Court may be sanctioned by this Honourable Court.
 - (b) That the preparation of a list of creditors be dispensed with and an enquiry as to creditors is not necessary.
 - (c) That, to this end, all necessary inquiries and directions may be made and given.
 - (d) That such further or other order be made as the Court shall see fit.

Dated this 21st day of November 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 Pine Care Group Limited 松齡護老集團有限公司 at its registered office located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

This Petition is presented by Conyers Dill & Pearman LLP, for and on behalf of the Petitioner, of Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.

Notice of Hearing

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