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Rapid Development Limited

迅速發展有限公司

(incorporated in British Virgin Islands with limited liability)

Artini Holdings Limited

雅天妮集團有限公司

*(Incorporated in Bermuda with limited liability)
(Stock Code: 789)*

JOINT ANNOUNCEMENT

- (1) COMPLETION OF THE AGREEMENT;
(2) MANDATORY UNCONDITIONAL CASH OFFER
BY BLACKWELL GLOBAL SECURITIES LIMITED
ON BEHALF OF RAPID DEVELOPMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN
ARTINI HOLDINGS LIMITED (OTHER THAN THOSE
ALREADY OWNED OR AGREED
TO BE ACQUIRED BY RAPID DEVELOPMENT LIMITED
AND PARTIES ACTING IN CONCERT WITH IT);
(3) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER; AND
(4) RESUMPTION OF TRADING**

Financial adviser to the Offeror



Financial adviser to Mr. Tse



Offer Agent to the Offeror



Reference is made to the Rule 3.7 Announcement and the subsequent monthly update announcements dated 25 May 2023, 23 June 2023, 21 July 2023 and 18 August 2023 issued by the Company pursuant to Rule 3.7 of the Takeovers Code, in relation to the entering of the Intention Agreement by the Vendors and Rapid Investment Development (Shenzhen) Limited* (迅發投資發展(深圳)有限公司), being the sole shareholder of the Offeror.

THE AGREEMENT

The Board has been informed that on 16 September 2023, the Vendors and the Offeror entered into the Agreement (as supplemented by the Supplemental Agreement), pursuant to which the Vendors conditionally agreed to sell and transfer, and the Offeror conditionally agreed to purchase, the Sale Shares free from all Encumbrances for a cash Consideration of HK\$128,292,933.5364, equivalent to HK\$0.1812 per Sale Share. The Sale Shares represent approximately 64.13% of the total issued share capital of the Company as at the date of this joint announcement.

COMPLETION OF THE AGREEMENT

All of the Conditions have been satisfied and the Completion Date was 26 September 2023.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to Completion, none of the Offeror and parties acting in concert with it owned, controlled or had direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it are interested in 708,018,397 Shares, representing approximately 64.13% of the total issued share capital of the Company. The Offeror will therefore be required under Rule 26.1 of the Takeovers Code to make an Offer for all the issued Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it.

As at the date of this joint announcement, the Company has 1,103,968,128 Shares in issue and the Company has no other outstanding Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code).

Blackwell will make the Offer, which will be unconditional, for and on behalf of the Offeror, in compliance with the Takeovers Code on the following terms:

Offer Price for each Offer Share HK\$0.1812 in cash

The Offer Price is HK\$0.1812 per Offer Share, which is equal to the purchase price per Sale Share paid by the Offeror under the Agreement (as supplemented by the Supplemental Agreement). The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

The Offer will be extended to all the Independent Shareholders in accordance with the Takeovers Code. Acceptance of the Offer by any Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Offer are free from all Encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Offer is made, being the date of posting of the Composite Document. As at the date of this joint announcement, the Company does not have any dividends or distributions announced, declared, recommended or made but unpaid and the Company does not intend to declare any dividend and/or make any distributions before the close of the Offer. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

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

Confirmation of financial resources available for the Offer

The maximum payment obligations payable for the Offer shall be payable in cash. The Offeror intends to finance the maximum payment obligations payable for the Offer by its internal resources. Jun Hui International has been appointed as the financial adviser to the Offeror in respect of the Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum consideration payable upon full acceptance of the Offer.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Lau Fai Lawrence, Mr. Lau Yiu Kit and Mr. Ma Sai Yam, has been established by the Company pursuant to Rule 2.1 of the Takeovers Code to make recommendations to the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

Amasse Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders 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 pursuant to Rule 2.1 of the Takeovers Code. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee. The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Offer will be included in the Composite Document to be despatched to the Shareholders.

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company to combine the offer document and the offeree's board circular in the Composite Document to be posted. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document setting out, among others, (i) further details of the Offer; (ii) the recommendation from the Independent Board Committee; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer and as to the acceptance of the Offer; and (iv) the relevant form(s) of acceptance and transfer, will be despatched to the Shareholders within 21 days after the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

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 18 September 2023 pending the release of this joint announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 27 September 2023.

WARNING

This joint announcement is made in compliance with the Takeovers Code for the purpose of, amongst other things, informing the Independent Shareholders of the fact that the Company has been informed that the Offer will be made.

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 in respect of the Offer and the letter of advice from the Independent Financial Adviser.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

Reference is made to the Rule 3.7 Announcement and the subsequent monthly update announcements dated 25 May 2023, 23 June 2023, 21 July 2023 and 18 August 2023 issued by the Company pursuant to Rule 3.7 of the Takeovers Code, in relation to the entering of the Intention Agreement by the Vendors and Rapid Investment Development (Shenzhen) Limited* (迅發投資發展(深圳)有限公司), being the sole shareholder of the Offeror.

The Board has been informed that on 16 September 2023, the Vendors and the Offeror entered into the Agreement, pursuant to which the Vendors conditionally agreed to sell and transfer, and the Offeror conditionally agreed to purchase, the Sale Shares free from all Encumbrances. A summary of the major terms of the Agreement are set out below:

THE AGREEMENT AND THE SUPPLEMENTAL AGREEMENT

Date of Agreement

16 September 2023

Date of Supplemental Agreement

23 September 2023

Parties

- (i) the Offeror, being the purchaser of the Sale Shares; and
- (ii) the Vendors, being the sellers of the Sale Shares;

The Offeror and parties acting in concert with it are third parties independent of, and not connected with, either the Company or any of its connected persons.

Subject Matter

Pursuant to the Agreement (as supplemented by the Supplemental Agreement), the Vendors conditionally agreed to sell and transfer, and the Offeror conditionally agreed to purchase the Sale Shares, which comprise an aggregate of 708,018,397 Shares, representing approximately 64.13% of the total issued share capital of the Company as at the date of this joint announcement, for a Consideration of HK\$128,292,933.5364, equivalent to HK\$0.1812 per Sale Share.

The Sale Shares are sold free from all Encumbrances and with all rights attached thereto or accruing thereto, including but not limited to all dividends, distributions and payments declared, paid or made in respect thereof on or after the date of the Agreement. Furthermore, there was no dividend declared but unpaid on the Completion Date.

Immediately following Completion, each of the Vendors ceased to have any interest in the Shares.

Consideration

The consideration for the Sale Shares is HK\$128,292,933.5364 (equivalent to HK\$0.1812 per Share), which was agreed between the Vendors and the Offeror after arm's length negotiations having regard to (i) the prevailing market prices of the Shares; (ii) the historical financial performance of the Group; and (iii) the audited consolidated financial position of the Group as at 31 March 2023.

The Consideration has been paid by the Offeror in the following manner:

- (i) a sum of HK\$10,000,000 to the Vendors as Intention Money after the entering into of the Intention Agreement in respect of the Sale Shares, which has been applied as part payment of the Consideration upon the Completion Date; and
- (ii) the balance of HK\$495,346.76 to Mr. Tse and HK\$117,797,586.7764 to Walifax upon the Completion Date.

Conditions precedent

Completion shall be conditional upon:

- (i) the warranties remaining true and accurate and not misleading in all respects as given as at the date of the Agreement and as at Completion;
- (ii) any approval, authorisation, consent, license, certificate, permission, agreement or any other licenses have been obtained by the Vendors and/or the Group on terms acceptable to the Offeror (but not unreasonably withheld) and shall remain in full force and effect;
- (iii) any approval, authorisation, consent, license, certificate, permit, agreement or any other licenses of various types have been obtained by the Offeror and remain in full force and effect;

- (iv) no applicable law prohibits, restricts or imposes conditions or restrictions on the consummation of any transaction contemplated in the Agreement, or the operation of such laws is reasonably expected to prohibit, restrict or impose conditions or restrictions on the consummation of any transaction contemplated in the Agreement;
- (v) at Completion, no legal, administrative or arbitral actions, suits, complaints, charges, hearings, injunctions, inquiries, investigations or legal proceedings seeking to prohibit, restrict, impose conditions or restrictions on or otherwise hinder any transaction contemplated in the Agreement;
- (vi) the listing of the Shares has not been revoked and the Shares will continue to be traded on the Stock Exchange until the Completion Date (except for temporary suspension that does not exceed seven (7) consecutive trading days or such other period as may be agreed in writing by the Offeror or in connection with the transaction contemplated in the Agreement), and neither the Stock Exchange nor the SFC has indicated that any of them has any reason arising out of or in connection with the transactions contemplated in the Agreement, or any other reasons that any of them will object to the continued listing of the Shares;
- (vii) the Stock Exchange and the Executive advising that they have no further comment on this joint announcement;
- (viii) there is no material adverse change in the Company; and
- (ix) the Shares held by the Vendors are not pledged.

All of the Conditions have been satisfied and the Completion Date was 26 September 2023.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to Completion, none of the Offeror and parties acting in concert with it owned, controlled or had direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it are interested in 708,018,397 Shares, representing approximately 64.13% of the total issued share capital of the Company. The Offeror will therefore be required under Rule 26.1 of the Takeovers Code to make an Offer for all the issued Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it.

As at the date of this joint announcement, the Company has 1,103,968,128 Shares in issue and the Company has no other outstanding Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code).

Blackwell will make the Offer, which will be unconditional, for and on behalf of the Offeror, in compliance with the Takeovers Code on the following terms:

Offer Price for each Offer Share HK\$0.1812 in cash

The Offer Price is HK\$0.1812 per Offer Share is equal to the purchase price per Sale Share paid by the Offeror under the Agreement.

The Offer, when made, will be unconditional in all respects and will be extended to all the Independent Shareholders in accordance with the Takeovers Code.

The Offer Price of HK\$0.1812 per Offer Share represents;

- (i) a discount of approximately 18.74% to the closing price of HK\$0.2230 per Share as quoted on the Stock Exchange on 15 September 2023, being the Last Trading Day;
- (ii) a discount of approximately 16.27% to the average of the closing prices of approximately HK\$0.2164 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately 13.92% to the average of the closing prices of approximately HK\$0.2105 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;

- (iv) a discount of approximately 20.61% to the average of the closing prices of approximately HK\$0.2282 per Share as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day; and
- (v) a premium of approximately 53.42% over the audited consolidated net asset value per Share of approximately HK\$0.1181 as at 31 March 2023 based on 1,103,968,128 Shares in issue as at the date of this joint announcement.

Highest and lowest Share prices

During the period commencing six months preceding the commencement of the Offer Period and up to the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.2900 per Share on 7 August 2023, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.0460 per Share on 28 December 2022, 12, 13, 16, 17, 18 and 19 January 2023 and 2 and 3 February 2023, respectively.

Value and total consideration of the Offer

As at the date of this joint announcement, the Company has 1,103,968,128 Shares in issue, and the Company does not have any outstanding options, derivatives, warrants or other securities which may confer to the holder(s) thereof any right to subscribe for, convert or exchange into Shares.

Based on the Offer Price of HK\$0.1812 per Offer Share, the entire issued share capital of the Company is valued at HK\$200,039,024.7936. Excluding the Sale Shares (i.e. 708,018,397 Shares) agreed to be acquired by the Offeror under the Agreement and on the basis that there will be no change in the issued share capital of the Company from the date of this joint announcement up to the Closing Date, a total of 395,949,731 Shares will be subject to the Offer. Based on the Offer Price of HK\$0.1812 per Offer Share and on the basis of full acceptance of the Offer, the maximum cash consideration payable by the Offeror under the Offer will be HK\$71,746,091.2572.

Financial resources available to the Offeror

The maximum payment obligations payable for the Offer shall be payable in cash. The Offeror intends to finance the maximum payment obligations payable for the Offer by its internal resources. Jun Hui International has been appointed as the financial adviser to the Offeror in respect of the Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum consideration payable upon full acceptance of the Offer.

Effect of accepting the Offer

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

Acceptance of the Offer by any Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Offer are free from all Encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Offer is made, being the date of posting of the Composite Document. As at the date of this joint announcement, the Company does not have any dividends or distributions announced, declared, recommended or made but unpaid and the Company does not intend to declare any dividend and/or make any distributions before the close of the Offer.

Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Payment

Payment in cash in respect of acceptance of the Offer will be made as soon as possible but in any event within seven (7) Business Days of the date on which the duly completed form of acceptances and transfer for the Offer Shares and the relevant documents of title of the Offer Shares in respect of such acceptance are received by the Offeror or its agent acting on its behalf to render each such acceptance complete and valid pursuant to the Takeovers Code.

No fractions of a cent will be payable and the amount of cash consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest cent.

Hong Kong stamp duty

In Hong Kong, seller's ad valorem stamp duty at a rate of 0.13% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable to the relevant Shareholders on acceptance of the Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of accepting Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

Overseas Shareholders

As the Offer to persons not being resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice.

It is the sole responsibility 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 jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Shareholders in respect of such jurisdictions).

If the receipt of the Composite Document by the Overseas Shareholders is prohibited by any applicable laws and regulations and 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, may not be despatched to such Overseas Shareholders and this will not affect the Overseas Shareholders' right to accept the Offer. In those circumstances, the Offeror will apply for any waivers as may be required pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. There are no Overseas Shareholders as at the date of this joint announcement.

Any acceptance of the Offer by such Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

Taxation advice

Independent 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. It is emphasised that none of the Company, the Offeror, parties acting in concert with the Offeror, Jun Hui International, Blackwell or any of their respective ultimate beneficial owners, directors, officers, advisers, 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.

OTHER DISCLOSURES

Dealing and interest in the Company's securities

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

- (i) save for the Sale Shares, none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them holds, owns or has control or direction over any voting rights or rights over any Shares, convertible securities, warrants, options, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company;
- (ii) save for the Agreement, none of the Offeror and its ultimate beneficial owners and/or parties acting in concert with them has dealt in the Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period prior to the date of publication of the Rule 3.7 Announcement and up to the date of this joint announcement;
- (iii) there is no outstanding derivative in respect of the securities in the Company which is entered into by the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them;
- (iv) 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 Company and which might be material to the Offer;
- (v) save for the Agreement, there is no agreement or arrangement to which the Offeror 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;
- (vi) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them have borrowed or lent;
- (vii) none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them has received any irrevocable commitment(s) to accept or reject the Offer;

- (viii) there was no agreement, arrangement or understanding that any securities acquired in pursuance of the Offer would be transferred, charged or pledged to any other persons;
- (ix) save for the Consideration paid by the Offeror to the Vendors under the Agreement, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, its ultimate beneficial owners and/or any parties acting in concert with any of them to the Vendors or any party acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (x) save for the Agreement, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them on one hand, and (a) the Vendors and/or parties acting in concert with any of them and (b) the Company and its subsidiaries or associated companies on the other hand;
- (xi) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them on one hand, and the Shareholders (including the Vendors) on the other hand; and
- (xii) there was no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror, its ultimate beneficial owners or any parties acting in concert with any of them and any Director, recent Directors, Shareholders or recent Shareholders which had any connection with or dependence upon the Offer.

The Company confirms that, as at the date of this joint announcement, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i)(a) the Company, its subsidiaries or associated companies, or (i)(b) the Offeror, its ultimate beneficial owners or any parties acting in concert with any of them on one hand; and (ii) any Shareholder on the other hand.

Shareholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer and as to acceptance that will be included in the Composite Document before deciding whether or not to accept the Offer.

INFORMATION ON THE GROUP

Principal business

The Company is an investment holding company incorporated in Bermuda with limited liability. The Group is principally engaged in fashion accessories business.

Financial information

Set out below is a summary of the audited consolidated financial information of the Group for the two financial years ended 31 March 2022 and 2023, as extracted from the annual reports of the Company for the year ended 31 March 2023.

	For the year ended 31 March	
	2022	2023
	(audited)	(audited)
	HK\$'000	HK\$'000
Revenue	76,968	63,692
Gross Profit	14,053	16,179
(Loss) before income tax	(22,377)	(2,925)
(Loss) for the year	(22,377)	(1,435)

The audited consolidated net assets value attributable to the owners of the Company as at 31 March 2022 and 2023 were approximately HK\$140,752,000 and HK\$130,396,000, respectively.

Shareholding structure

As at the date of this joint announcement, the authorised share capital of the Company was HK\$300,000,000 divided into 6,000,000,000 ordinary shares, and there are 1,103,968,128 Shares in issue. All of the share options granted to the Directors, employees and consultants as mentioned in the annual report of the Company dated 27 June 2023 were lapsed on 14 July 2023. As such, as at the date of this joint announcement, the Company has no other outstanding Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code).

Set out below is the shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately after Completion but before the Offer:

Name of Shareholders	Immediately prior to Completion		Immediately after Completion but before the Offer	
	Number of Shares	Approximately %	Number of Shares	Approximately %
<i>Director</i>				
Mr. Tse (<i>Note 1</i>)	2,964,800	0.27	–	–
<i>Substantial Shareholders</i>				
Walifax (<i>Note 2</i>)	705,053,597	63.86	–	–
The Offeror (<i>Note 3</i>) and parties acting in concert with it	–	–	708,018,397	64.13
<i>Public Shareholders</i>				
Public Shareholders	395,949,731	35.87	395,949,731	35.87
Total	1,103,968,128	100.00	1,103,968,128	100.00

Note 1: Ms. Yu Zhonglian, an executive Director, is the spouse of Mr. Tse, and as such, Ms. Yu Zhonglian is deemed to be interested in all the Shares held by Mr. Tse and his controlled corporation (Walifax) by virtue of the SFO.

Note 2: As at the date of this joint announcement, Walifax is wholly and beneficially owned by Mr. Tse.

Note 3: The Offeror is wholly owned by Rapid Investment Development (Shenzhen) Limited* (迅發投資發展(深圳)有限公司), which is in turn wholly owned by Fuxing Investment Development (Shenzhen) Co., Ltd.* (賦興投資發展(深圳)有限公司), a company owned as to 70% by Mr. Chen, 29% by Ms. Lin Chenjie (林晨潔) (wife of Mr. Chen) and 1% by Mr. Chen Naien (陳乃恩) (brother of Mr. Chen).

Save as disclosed in the table above, as at the date of this joint announcement, the Directors did not have any interests in the Shares.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the BVI with limited liability and is wholly owned by Rapid Investment Development (Shenzhen) Limited* (迅發投資發展(深圳)有限公司), which is in turn wholly owned by Fuxing Investment Development (Shenzhen) Co., Ltd.* (賦興投資發展(深圳)有限公司), a company owned as to 70% by Mr. Chen, the sole director of the Offeror, 29% by Ms. Lin Chenjie (林晨潔) (wife of Mr. Chen) and 1% by Mr. Chen Naien (陳乃恩) (brother of Mr. Chen).

Mr. Chen, aged 29, holds a bachelor's degree in E-commerce from Xiamen University of Technology (廈門理工學院). Mr. Chen is a council member of the Shenzhen Fuzhou Chamber of Commerce* (深圳福州商會) and the vice president of the New Social Stratum Association of Bao'an District, Shenzhen* (深圳保安區新聯會). Mr. Chen has over six years of experience in the sales and distribution of consumer goods in China. Mr. Chen does not hold directorship in any listed companies.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

As detailed in the section headed "Information on the Group", the Group is principally engaged in fashion accessories business.

The Offeror intends to continue the principal business of the Group and has no intention to dispose of the businesses of the Group immediately after completion of the Offer.

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 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.

Notwithstanding the above, as at the date of this joint announcement, no investment or business opportunity has been identified nor has the Offeror entered into any agreements, arrangements, understandings or negotiations in relation to the injection of any assets or business into the Group, and the Offeror has no intention to discontinue the employment of the employees or to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business.

Proposed change of Board composition of the Company

As at the date of this joint announcement, the Board is made up of six Directors, comprising three executive Directors, namely Mr. Tse, Ms. Yu Zhonglian and Mr. Tse Kin Lung; and three independent non-executive Directors, namely Mr. Lau Fai Lawrence, Mr. Lau Yiu Kit and Mr. Ma Sai Yam.

The Offeror intends to nominate new director(s) to the Board with effect from the earliest time permitted under the Takeovers Code. As at the date of this joint announcement, the Offeror has not determined the nomination of new director(s) of the Company. Any changes to the members of the Board will be made in compliance with the Takeovers Codes 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 Offeror and the new Director(s) to be appointed (whose appointment will be effective upon the close of the Offer) will undertake to the Stock Exchange to take appropriate steps, which may include but limited to placing down the Shares, as soon as possible following the close of the Offer to ensure that not less than 25% of the Shares will be held by the public.

For the avoidance of doubt, the Offer Shares to be tendered by the Independent Shareholders upon valid acceptance of the Offer will be retained by the Offeror.

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

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

the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all independent non-executive Directors who have no direct or indirect interest in the Offer, namely Mr. Lau Fai Lawrence, Mr. Lau Yiu Kit and Mr. Ma Sai Yam, has been established by the Company to make recommendations to the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code.

Amasse Capital Limited has been appointed by the Company with the approval of the Independent Board Committee, to advise the Independent Board Committee and the Independent Shareholders 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 pursuant to Rule 2.1 of the Takeovers Code. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee. The advice of the Independent Financial Adviser and the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Offer will be included in the Composite Document to be despatched to the Shareholders.

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company to combine the offer document with the offeree board circular from the Company in a Composite Document. In accordance with Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things: (i) details of the Offer (including the expected timetable); (ii) a letter 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 (iv) the relevant form of acceptance and transfer of Shares in respect of the Offer, is required to be despatched to the Shareholders within 21 days after the date of this joint announcement, or such later date as the Executive may approve.

DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the respective associates (as defined under the Takeovers Code which includes, among others, a person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code)) of the Company and the Offeror are reminded to disclose their dealings in the securities of the Company pursuant to Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code in relation to the responsibilities of stockbrokers, banks and other intermediaries 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 of the Takeovers Code 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 of the Takeovers Code. 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.”

The Offeror, its nominees or brokers or associates may from time to time make certain purchases of, or arrangements to purchase Shares other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance in compliance with the Takeovers Code. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be reported to the SFC and will be available on the SFC website (<http://www.sfc.hk/>) under the “Regulatory functions — Corporates — Takeovers and mergers — Dealing disclosures” section.

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 18 September 2023 pending the publication of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 27 September 2023.

WARNING

This joint announcement is made in compliance with the Takeovers Code for the purpose of, amongst other things, informing the Independent Shareholders of the fact that the Company has been informed that the Offer will be made.

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 in respect of the Offer and the letter of advice from the Independent Financial Adviser.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their own professional advisers.

DEFINITIONS

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

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“Agreement”	the sale and purchase agreement dated 16 September 2023 entered into between the Offeror as purchaser, the Vendors as vendors in relation to the acquisition of the Sale Shares by the Offeror from the Vendors
“associate(s)”	has the same meaning ascribed thereto under the Takeovers Code
“Blackwell”	Blackwell Global Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO, the agent making the Offer on behalf of the Offeror
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“Closing Date”	the date to be stated in the Composite Document as the first closing date of the Offer or any subsequent closing date as may be announced by the Offeror and approved by the Executive
“Company”	Artini Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 789)

“Completion”	completion of the sale and purchase of all the Sale Shares under the Agreement
“Completion Date”	the date of on which Completion took place, i.e. 26 September 2023
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer in compliance with the Takeovers Code
“Conditions”	the conditions precedent to Completion as set out in the Agreement
“Consideration”	the consideration in the amount of HK\$128,292,933.5364 for the Sale Shares pursuant to the Agreement
“Director(s)”	director(s) of the Company from time to time
“Encumbrance(s)”	any option, right of acquisition, right of priority, mortgage, charge, lien, right of retention of title, right of set-off, counterclaim, trust arrangement, or any other right to collateral of any kind or equity interest or restriction (including the restrictions imposed by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) in respect of any asset
“Executive”	the executive director of the Corporate Finance Division of the SFC from time to time and any delegate of such executive director
“Group”	the Company and its subsidiaries (from time to time)
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, which has been formed for the purpose of advising the Independent Shareholders in respect of the Offer
“Independent Financial Adviser”	Amasse Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee in relation to the Offer
“Independent Shareholders”	Shareholders other than the Offeror and parties acting in concert with it
“Intention Agreement”	investment intention agreement entered into on 26 April 2023 between the Vendors and Rapid Investment Development (Shenzhen) Limited* (迅發投資發展(深圳)有限公司), being the sole shareholder of the Offeror
“Intention Money”	HK\$10,000,000 paid by the Offeror to the Vendors as intention money in accordance with the Intention Agreement
“Jun Hui International”	Jun Hui International Finance Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in respect of the Offer
“Last Trading Day”	15 September 2023, being the last trading day on which for the Shares were traded on the Stock Exchange immediately prior to the suspension of trading in the Shares pending the publication of this joint announcement
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock exchange (excluding option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange

“Mr. Chen”	Mr. Chen Long (陳龍), one of the shareholder of the Offeror and sole director of the Offeror
“Mr. Tse”	Mr. Tse Hoi Chau (謝海州), an executive Director and a Vendor
“Offer”	the mandatory unconditional cash offer to be made by Blackwell on behalf of the Offeror to acquire the Offer Shares on the terms and conditions set out in the Composite Document and the accompanying form of acceptance and in compliance with the Takeovers Code
“Offer Period”	the period commencing from 28 April 2023, being the date of the Rule 3.7 Announcement, and ending on the Closing Date
“Offer Price”	the cash amount of HK\$0.1812 for each Offer Share payable by the Offeror to the Independent Shareholders accepting the Offer
“Offer Share(s)”	all the Shares in issue, other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it
“Offeror”	Rapid Development Limited (迅速發展有限公司), a company incorporated in BVI with limited liability, details of which are set out in the paragraph headed “Information on the Offeror” in this joint announcement
“Overseas Shareholders”	Independent Shareholder(s) whose address(es) as shown on the register of members of the Company, is/are outside Hong Kong
“PRC”	the People’s Republic of China
“Rule 3.7 Announcement”	the announcement of the Company dated 28 April 2023 in relation to the Intention Agreement

“Sale Shares”	a total of 708,018,397 Shares acquired by the Offeror from the Vendors pursuant to the terms and conditions of the Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Shares”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement dated 23 September 2023 to the Agreement entered into between the Offeror and the Vendors to amend the Consideration (from HK\$128,292,934 to HK\$128,292,933.5364) and the consequential settlement amounts of the Consideration to each of the Vendors
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Vendors”	Mr. Tse and Walifax, being the vendors of the Sale Shares under the Agreement
“Walifax”	Walifax Investments Limited, a company incorporated in the BVI with limited liability and wholly-owned by Mr. Tse, being a Vendor
“%”	per cent

By order of the board of directors
Rapid Development Limited
Chen Long
Sole director

By order of the Board
Artini Holdings Limited
Tse Hoi Chau
Chairman and executive Director

Hong Kong, 27 September 2023

As at the date of this joint announcement, the executive directors of the Company are Mr. Tse Hoi Chau (Chairman), Ms. Yu Zhonglian and Mr. Tse Kin Lung; and the independent non-executive directors of the Company are Mr. Lau Fai Lawrence, Mr. Lau Yiu Kit and Mr. Ma Sai Yam.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than any information relating to the Offeror) 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 sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in the joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Chen Long.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Group, the Directors and the Vendors), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by 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.

** for identification purposes only*