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中澤豐國際有限公司

RENZE HARVEST INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01282)

**VERY SUBSTANTIAL ACQUISITION AND
EXEMPTED CONNECTED TRANSACTION
IN RELATION TO ACQUISITION OF ADDITIONAL
EQUITY INTEREST IN A PRC SUBSIDIARY**

References are made to (i) the announcements of the Company dated 3 October 2022, 21 March 2023, 22 March 2023 and 22 March 2024, respectively; and (ii) the circular of the Company dated 27 February 2023 (the “Circular”), in relation to, amongst others, the Sale and Purchase Agreement and the Acquisition.

BACKGROUND

As disclosed in the Circular, on 19 October 2022, the Vendor and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell, the 1st Tranche Sale Equity Interest (representing 51% of the total equity interest and actual paid-up registered capital of the Target Company) for the 1st Tranche Consideration of RMB1,175.55 million.

Pursuant to the Sale and Purchase Agreement, subject to the satisfaction (or waiver, as the case may be) of the conditions precedent for the Original 2nd Tranche Acquisition, the Vendor shall dispose the Original 2nd Tranche Sale Equity Interest (representing the remaining 49% of the total equity interest and actual paid-up registered capital of the Target Company) to the Purchaser for the Original 2nd Tranche Consideration of RMB1,129.45 million within twelve (12) months from the 1st Tranche Completion.

As disclosed in the announcement of the Company dated 21 March 2023, the Sale and Purchase Agreement, the Acquisition and the transactions contemplated therein were duly passed by the then Shareholders by way of poll at the extraordinary general meeting of the Company held on 21 March 2023.

As disclosed in the announcement of the Company dated 22 March 2023, the 1st Tranche Completion took place on 22 March 2023. Immediately after the 1st Tranche Completion, the Target Company has become an indirect non-wholly owned subsidiary of the Company and the

financial results of the Target Company have been consolidated into the financial statements of the Company. Pursuant to the Sale and Purchase Agreement, the Original 2nd Tranche Acquisition shall take place on or before 22 March 2024, which falls within twelve (12) months from the 1st Tranche Completion.

As disclosed in the announcement of the Company dated 22 March 2024, in or about October 2023, the Purchaser was informed by the principal contractor of the development and construction project undertaken by the Target Company located at Longhu District, Shantou City, Guangdong Province, the PRC (i.e. the Project) that there would be certain delay to the progress of examination and settlement of the properties under the Project, leading to a certain part of the Project not being completed as scheduled. As a result of the delay in completion of the Project, additional time was required for the satisfaction of the conditions precedent for the Original 2nd Tranche Acquisition. On 22 March 2024, the Purchaser and the Vendor entered into the First Supplemental Agreement, pursuant to which the Purchaser and the Vendor mutually agreed to extend the completion of the Original 2nd Tranche Acquisition from 22 March 2024 to 30 June 2024.

THE SECOND SUPPLEMENTAL AGREEMENT

By around mid-May 2024, the Purchaser proposed to the Vendor to downsize the Original 2nd Tranche Acquisition from 49% to 42.33% of the total equity interest and actual paid-up registered capital of the Target Company. After arm's length negotiations between the parties to the Sale and Purchase Agreement, on 31 July 2024 (after trading hours), the Purchaser and the Vendor entered into the Second Supplemental Agreement to amend certain terms and conditions under the Sale and Purchase Agreement, details of the major amendments are set forth as follows:

- (1) the Original 2nd Tranche Acquisition shall be downsized from 49% to 42.33% of the total equity interest and actual paid-up registered capital of the Target Company (i.e. the Revised 2nd Tranche Sale Equity Interest);
- (2) as a result of the downsizing of the Original 2nd Tranche Acquisition as mentioned in paragraph (1) above, the consideration shall be lowered from the Original 2nd Tranche Consideration in the amount of RMB1,129.45 million to the Revised 2nd Tranche Consideration in the amount of approximately RMB975.69 million;
- (3) the Revised 2nd Tranche Consideration shall be settled in the following manner:
 - (i) by off-setting the Amount Due from GSLG Group. Upon the 2nd Tranche Completion, the Target Company, the Vendor, the Purchaser and GSLG will enter into the 2nd Tranche Deed of Set-Off in relation to the set-off of the Amount Due from GSLG Group of approximately RMB436.50 million against the Revised 2nd Tranche Consideration;

- (ii) by off-setting a sum of approximately RMB371.30 million equivalent to the final outstanding principal amount and interest accrued on the Secured Loan owed by Shenzhen Baoxin, an indirect non-wholly owned subsidiary of GSLG, to Xiamen International Bank Fuzhou Branch up to its due date (i.e. 20 October 2025). Upon the 2nd Tranche Completion:
 - (a) the Company shall enter into a deed of undertaking whereby it shall undertake to repay Xiamen International Bank Fuzhou Branch, for and on behalf of Shenzhen Baoxin, the outstanding principal amount and interest accrued under the Secured Loan as and when they fall due; and
 - (b) the Purchaser shall enter into the Share Charge Agreement with the Vendor whereby the Purchaser (as chargor) shall execute a charge over 16% of the total equity interest and actual paid-up registered capital it holds in the Target Company subsequent to the 2nd Tranche Completion in favour of the Vendor (as chargee) until the full and final settlement of the Secured Loan; and
- (iii) by off-setting a sum equivalent to the amount of approximately RMB167.89 million due from GSLG Group to the Company. Upon the 2nd Tranche Completion, the Purchaser, the Company, the Vendor and GSLG shall enter into a deed of set-off in relation to the set-off of the amount due from GSLG Group to the Company in the amount of approximately RMB167.89 million against the Revised 2nd Tranche Consideration.

Upon the 2nd Tranche Completion, the Target Company will be held as to 93.33% and 6.67% by the Company and GSLG, respectively.

LISTING RULES IMPLICATIONS

Chapter 14 of the Listing Rules

To the best of the knowledge, information and belief of the Directors, the amendments to the terms and conditions of the Sale and Purchase Agreement under the Second Supplemental Agreement are considered to be material changes to the Sale and Purchase Agreement pursuant to Rules 14.36 and 14.49 of the Listing Rules.

As one or more of the applicable percentage ratio(s) calculated in accordance with the Listing Rules in respect of the Revised 2nd Tranche Acquisition under the Second Supplemental Agreement and the transactions contemplated thereunder exceed 100%, the Revised 2nd Tranche Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Chapter 14A of the Listing Rules

Upon 1st Tranche Completion, the Target Company has become an indirect non-wholly owned subsidiary of the Company. The Vendor which holds the remaining 49% equity interest in the Target Company, together with its associates, have therefore become connected persons of the Company at the subsidiary level upon 1st Tranche Completion. Accordingly, the proposed acquisition of the Revised 2nd Tranche Sale Equity Interest under the Revised 2nd Tranche Acquisition shall constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As (i) the Board considers that the Second Supplemental Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole; (ii) the Board has approved the Second Supplemental Agreement and the transactions contemplated thereunder; and (iii) the independent non-executive Directors have confirmed that the terms of the Second Supplemental Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole, the Second Supplemental Agreement and the transactions contemplated thereunder fall within the exemption under Rule 14A.101 of the Listing Rules and are subject to the reporting and announcement requirements but exempted from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated thereunder.

The voting in respect of the Revised 2nd Tranche Acquisition at the EGM will be conducted by way of poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of their associates has any material interest in the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated thereunder; and (ii) no Shareholder will be required to abstain from voting on the relevant resolution(s) to approve the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated thereunder at the EGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further information on the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated thereunder; (ii) financial information of the Target Company; (iii) pro forma financial information of the Enlarged Group; (iv) valuation report of the Target Company; (v) other information as required

under the Listing Rules; and (vi) the notice of the EGM, is expected to be despatched to the Shareholders on or before 23 August 2024 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

As the 2nd Tranche Completion is subject to the satisfaction of a number of conditions precedent as set out in the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition may or may not proceed. Shareholders and potential investors should 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 adviser(s).

BACKGROUND

As disclosed in the Circular, on 19 October 2022, the Vendor and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell, the 1st Tranche Sale Equity Interest (representing 51% of the total equity interest and actual paid-up registered capital of the Target Company) for the 1st Tranche Consideration of RMB1,175.55 million.

Pursuant to the Sale and Purchase Agreement, subject to the satisfaction (or waiver, as the case may be) of the conditions precedent for the Original 2nd Tranche Acquisition, the Vendor shall dispose the Original 2nd Tranche Sale Equity Interest (representing the remaining 49% of the total equity interest and actual paid-up registered capital of the Target Company) to the Purchaser for the Original 2nd Tranche Consideration of RMB1,129.45 million within twelve (12) months from the 1st Tranche Completion.

As disclosed in the announcement of the Company dated 21 March 2023, the Sale and Purchase Agreement, the Acquisition and the transactions contemplated therein were duly passed by the then Shareholders by way of poll at the extraordinary general meeting of the Company held on 21 March 2023.

As disclosed in the announcement of the Company dated 22 March 2023, the 1st Tranche Completion took place on 22 March 2023. Immediately after the 1st Tranche Completion, the Target Company has become an indirect non-wholly owned subsidiary of the Company and the financial results of the Target Company have been consolidated into the financial statements of the Company. Pursuant to the Sale and Purchase Agreement, the Original 2nd Tranche Acquisition shall take place on or before 22 March 2024, which falls within twelve (12) months from the 1st Tranche Completion.

As disclosed in the announcement of the Company dated 22 March 2024, in or about October 2023, the Purchaser was informed by the principal contractor of the development and construction project undertaken by the Target Company located at Longhu District, Shantou City, Guangdong Province, the PRC (i.e. the Project) that there would be certain delay to the progress of examination and settlement of the properties under the Project, leading to a certain part of the Project not being completed as scheduled. As a result of the delay in completion of the Project, additional time was

required for the satisfaction of the conditions precedent for the Original 2nd Tranche Acquisition. On 22 March 2024, the Purchaser and the Vendor entered into the First Supplemental Agreement, pursuant to which the Purchaser and the Vendor mutually agreed to extend the completion of the Original 2nd Tranche Acquisition from 22 March 2024 to 30 June 2024.

THE SECOND SUPPLEMENTAL AGREEMENT

By around mid-May 2024, the Purchaser proposed to the Vendor to downsize the Original 2nd Tranche Acquisition from 49% to 42.33% of the total equity interest and actual paid-up registered capital of the Target Company. After arm's length negotiations between the parties to the Sale and Purchase Agreement, on 31 July 2024 (after trading hours), the Purchaser and the Vendor entered into the Second Supplemental Agreement to amend certain terms and conditions under the Sale and Purchase Agreement. The principal terms of the Second Supplemental Agreement are set forth as follows:

Date : 31 July 2024 (after trading hours)

Parties : (1) the Vendor, an indirect non-wholly owned subsidiary of GSLG; and
(2) the Purchaser, an indirect wholly-owned subsidiary of the Company.

Upon 1st Tranche Completion, the Target Company has become an indirect non-wholly owned subsidiary of the Company. The Vendor which holds the remaining 49% equity interest in the Target Company, together with its associates, have therefore become connected persons of the Company at the subsidiary level upon 1st Tranche Completion.

Assets to be acquired

Pursuant to the Second Supplemental Agreement, the Purchaser conditionally agrees to acquire and the Vendor conditionally agrees to sell the Revised 2nd Tranche Sale Equity Interest, representing 42.33% of the total equity interest and actual paid-up registered capital of the Target Company.

Consideration

The Revised 2nd Tranche Consideration in the amount of approximately RMB975.69 million shall be settled in the following manner:

- (i) by off-setting the Amount Due from GSLG Group. Upon the 2nd Tranche Completion, the Target Company, the Vendor, the Purchaser and GSLG will enter into the 2nd Tranche Deed of Set-Off in relation to the set-off of the Amount Due from GSLG Group of approximately RMB436.50 million against the Revised 2nd Tranche Consideration;

- (ii) by off-setting a sum of approximately RMB371.30 million equivalent to the final outstanding principal amount and interest accrued on the Secured Loan owed by Shenzhen Baoxin, an indirect non-wholly owned subsidiary of GSLG, to Xiamen International Bank Fuzhou Branch up to its due date (i.e. 20 October 2025). Upon the 2nd Tranche Completion:
 - (a) the Company shall enter into a deed of undertaking whereby it shall undertake to repay Xiamen International Bank Fuzhou Branch, for and on behalf of Shenzhen Baoxin, the outstanding principal amount and interest accrued under the Secured Loan as and when they fall due; and
 - (b) the Purchaser shall enter into the Share Charge Agreement with the Vendor whereby the Purchaser (as chargor) shall execute a charge over 16% of the total equity interest and actual paid-up registered capital it holds in the Target Company subsequent to the 2nd Tranche Completion in favour of the Vendor (as chargee) until the full and final settlement of the Secured Loan (the “**Share Charge**”); and
- (iii) by off-setting a sum equivalent to the amount of approximately RMB167.89 million due from GSLG Group to the Company. Upon the 2nd Tranche Completion, the Purchaser, the Company, the Vendor and GSLG shall enter into a deed of set-off in relation to the set-off of the amount due from GSLG Group to the Company in the amount of approximately RMB167.89 million against the Revised 2nd Tranche Consideration.

The Revised 2nd Tranche Consideration were arrived at after arm’s length negotiations between the Vendor and the Purchaser with reference to (i) the Original 2nd Tranche Consideration; (ii) the prospects of having the Amount Due from GSLG Group and the amount due from GSLG Group to the Company settled in an amiable manner; (iii) the valuation of 42.33% of the equity interests in the Target Company of approximately RMB1,230 million as at 31 May 2024 according to the valuation by an independent professional valuer appointed by the Company; (iv) the business prospects of the Target Company; and (v) the prevailing market conditions of the PRC real estate industry.

The Board understands that the independent professional valuer adopts summation method in the preliminary valuation of the Target Company, which involves valuing each of the component assets that are part of the Target Company using the appropriate valuation approaches and methods and adding the value of the component assets together to reach the value of the Target Company.

The Share Charge arrangement was agreed between the Purchaser and the Vendor after arm’s length negotiation taking into consideration that the Vendor will have disposed of 42.33% of the equity interests in the Target Company upon 2nd Tranche Completion, and such disposal is expected to take place prior to the full and final settlement of the Secured Loan by the Purchaser, for and on behalf of the Vendor. The Vendor and the Purchaser shall together arrange for the release of the Share Charge within ten (10) Business Days upon the full and final settlement of the Secured Loan by the Purchaser, for and on behalf of the Vendor.

Upon the 2nd Tranche Completion, the Target Company will be held as to 93.33% and 6.67% by the Company and GSLG, respectively.

Conditions precedent

The 2nd Tranche Completion is conditional upon the satisfaction (or waiver, as the case may be) of the following:

- (i) the passing of necessary resolution(s) by the shareholders of GSLG at an extraordinary general meeting approving the Second Supplemental Agreement and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules;
- (ii) the passing of necessary resolution(s) by the Shareholders at the EGM approving the Second Supplemental Agreement and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules;
- (iii) the valuation of the Target Company shall not fall below RMB2,600.00 million as at the quarter end date immediately preceding the 2nd Tranche Completion; and
- (iv) there having been no Material Adverse Change to the Target Company since the date of the Second Supplemental Agreement.

The Purchaser may in its absolute discretion waive either in whole or in part at any time by notice in writing to the Vendor any of the conditions precedent, except paragraphs (i) and (ii) above which are not capable of being waived. As at the date of this announcement, none of the conditions has been fulfilled or waived. If any of the conditions is not fulfilled or waived by the Purchaser by the Long Stop Date (or such other date as the Vendor and the Purchaser may agree), the Purchaser shall not be required to proceed with the acquisition of the Revised 2nd Tranche Sale Equity Interest.

2nd Tranche Completion

The 2nd Tranche Completion shall take place within seven (7) Business Days from the fulfilment (or waiver, as the case may be) of all the conditions precedent for the Revised 2nd Tranche Acquisition. Upon 2nd Tranche Completion, the Vendor and the Purchaser shall arrange for the change in business registration in relation to the transfer of the Revised 2nd Tranche Sale Equity Interest from the Vendor to the Purchaser and the replacement of directors, supervisors and senior management team of the Target Company by personnel designated by the Purchaser as applicable.

Amendments to the articles of association of the Target Company

Upon the change in business registration in relation to the transfer of the Revised 2nd Tranche Sale Equity Interest from the Vendor to the Purchaser, the articles of association of the Target Company shall be amended to the effect that all members of the board and supervisory committee of the Target Company shall be appointed by the Purchaser.

Save as disclosed above in this paragraph, the other terms and conditions under the Sale and Purchase Agreement in respect of the Revised 2nd Tranche Acquisition have remained substantially unchanged.

INFORMATION OF THE PARTIES TO THE SECOND SUPPLEMENTAL AGREEMENT

The Purchaser

The Purchaser is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. The Purchaser is principally engaged in investment holding, property development and investment in the PRC, providing supply chain management services and business services, establishing technology research and development centres and corporate management consulting.

The Vendor

The Vendor is a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of GSLG. The Vendor is principally engaged in technological development of electronic products and provision of technology consultation, technology transfer, technical support and other consultation services.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company. The Target Company is solely engaged in a development and construction project located at Longhu District, Shantou City, Guangdong Province, the PRC, with total land area of approximately 167,000 sq.m. and a gross floor area of approximately 951,000 sq.m., which is divided into three zones, and involve office and commercial buildings, residential units and loft apartments (the “**Project**”).

The Target Company holds the land use right to the following investment properties under the Project:

- (a) a plot of land located at plot F02-10, the south zone of the Project (the “**South Zone**”) with gross floor area of approximately 212,000 sq.m. and a term ending in January 2057;
- (b) a plot of land located at plot F01-11, the north zone of the Project, (the “**North Zone**”) with gross floor area of approximately 507,000 sq.m. and a term ending in January 2057; and
- (c) a plot of land located at plot F02-08, the middle zone of the Project (the “**Middle Zone**”) with gross floor area of approximately 232,000 sq.m. and a term ending in January 2057.

As at the date of this announcement, the Target Company (as chargor) has granted the Land Charge over the Middle Zone (as Charged Property) to Xiamen International Bank Fuzhou Branch (as chargee) for securing the Secured Loan granted by Xiamen International Bank Fuzhou Branch to Shenzhen Baoxin (an indirect non-wholly owned subsidiary of GSLG).

As at the date of this announcement, the construction works in relation to the South Zone were completed, whereas the construction works in relation to the North and Middle Zones are still in progress and are expected to be completed in or around January 2025, per management of the Target Company.

The unaudited financial information of the Target Company for the two years ended 31 December 2022 and 2023 and prepared in accordance with the accounting principles generally accepted in Hong Kong are as follows:

	For the year ended 31 December	
	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	499,358	115,692
Net profit/(loss) before taxation	27,628	(101,608)
Net profit/(loss) after taxation	39,742	(84,556)

The unaudited net asset value of the Target Company as at 31 May 2024 was approximately RMB3,160.67 million.

REASONS FOR AND BENEFITS OF THE REVISED 2ND TRANCHE ACQUISITION

For details on the reasons for and benefits of the Acquisition, please refer to paragraph headed “Reasons for and Benefits of the Acquisition” in the Circular.

Through the Second Supplemental Agreement, the Company has successfully bargained for a significant reduction in the immediate cash needs for settling the Revised 2nd Tranche Consideration. Under the original Sale and Purchase Agreement, the Company is expected to pay out approximately RMB714.5 million as cash consideration to the Purchaser within six (6) months from 2nd Tranche Completion. In contrast, under the Second Supplemental Agreement, the Company is not required to pay out any cash consideration to GSLG Group until the Secured Loan becomes due, with the remaining consideration primarily settled via off-setting existing loans between the Group and GSLG Group. Further, the downsizing of the Original 2nd Tranche Acquisition from 49% to 42.33% of the total equity interest and actual paid up registered capital of the Target Company entails a moderate decrease in the total consideration payable by the Group by approximately RMB153.8 million, equivalent to approximately 13.61%), while the Group would still be able to maintain an overwhelming majority control over both the shareholdings and board composition of the Target Company. The downsizing of the Original 2nd Tranche Acquisition would have very insignificant impact upon the Group's control and management of the Target Company, given that, despite of the

minority interests retained by GSLG Group in the Target Company, (i) all members of the board and supervisory committee of the Target Company shall be appointed by the Purchaser upon 2nd Tranche Completion; and (ii) the financial results of the Target Company have already been consolidated into the financial statements of the Company upon the 1st Tranche Completion, regardless of the scale of the equity interests to be acquired by the Group under the 2nd Tranche Completion. On the premises that the downsizing of the Original 2nd Tranche Acquisition would not alter the Company's control and management of the Target Company, the correspondence reduction in the consideration amount is in the Group's interest as this would alleviate the financial burden that would otherwise be imposed under the Original 2nd Tranche Consideration. This would, in turn, allow the Group to preserve more financial resources for supporting its daily operations and/or embark on expansion where suitable opportunities arise.

LISTING RULES IMPLICATIONS

Chapter 14 of the Listing Rules

To the best of the knowledge, information and belief of the Directors, the amendments to the terms and conditions of the Sale and Purchase Agreement under the Second Supplemental Agreement are considered to be material changes to the Sale and Purchase Agreement pursuant to Rules 14.36 and 14.49 of the Listing Rules.

As one or more of the applicable percentage ratio(s) calculated in accordance with the Listing Rules in respect of the Revised 2nd Tranche Acquisition under the Second Supplemental Agreement and the transactions contemplated thereunder exceed 100%, the Revised 2nd Tranche Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Chapter 14A of the Listing Rules

Upon 1st Tranche Completion, the Target Company has become an indirect non-wholly owned subsidiary of the Company. The Vendor which holds the remaining 49% equity interest in the Target Company, together with its associates, have therefore become connected persons of the Company at the subsidiary level upon 1st Tranche Completion. Accordingly, the proposed acquisition of the Revised 2nd Tranche Sale Equity Interest under the Revised 2nd Tranche Acquisition shall constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As (i) the Board considers that the Second Supplemental Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole; (ii) the Board has approved the Second Supplemental Agreement and the transactions contemplated thereunder; and (iii) the independent non-executive Directors have confirmed that the terms of the Second Supplemental Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole, the Second Supplemental Agreement and

the transactions contemplated thereunder fall within the exemption under Rule 14A.101 of the Listing Rules and are subject to the reporting and announcement requirements but exempted from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated thereunder.

The voting in respect of the Revised 2nd Tranche Acquisition at the EGM will be conducted by way of poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of their associates has any material interest in the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated thereunder; and (ii) no Shareholder will be required to abstain from voting on the relevant resolution(s) to approve the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated thereunder at the EGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further information on the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated thereunder; (ii) financial information of the Target Company; (iii) pro forma financial information of the Enlarged Group; (iv) valuation report of the Target Company; (v) other information as required under the Listing Rules; and (vi) the notice of the EGM, is expected to be despatched to the Shareholders on or before 23 August 2024 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

As the 2nd Tranche Completion is subject to the satisfaction of a number of conditions precedent as set out in the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition may or may not proceed. Shareholders and potential investors should 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 adviser(s).

DEFINITIONS

“1st Tranche Acquisition”	the acquisition of the 1st Tranche Sale Equity Interest by the Purchaser from the Vendor and other transactions contemplated under the Sale and Purchase Agreement
“1st Tranche Completion”	completion of the 1st Tranche Acquisition which took place on 22 March 2023

“1st Tranche Consideration”	the consideration for the 1st Tranche Acquisition in the amount of RMB1,175.55 million
“1st Tranche Sale Equity Interest”	51% of the total equity interest and actual paid-up registered capital of the Target Company
“2nd Tranche Completion”	completion of the Revised 2nd Tranche Acquisition
“2nd Tranche Deed of Set-Off”	the deed to be entered into among the Target Company, the Vendor, the Purchaser and GSLG in relation to the set-off of the Amount Due from GSLG Group against the Revised 2nd Tranche Consideration
“Acquisition”	1st Tranche Acquisition and the Original 2nd Tranche Acquisition
“Amount Due from GSLG Group”	the total non-interest bearing amount of approximately RMB436.50 million due from GSLG Group (excluding the Target Company) to the Target Company
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in the PRC are open for general commercial business, other than a Saturday, Sunday or public holiday in the PRC
“Charged Property”	a plot of land located at Longhu District, Shantou City, Guangdong Province, the PRC with approximate gross floor area of approximately 232,000 sq.m.
“Circular”	the circular of the Company dated 27 February 2023 in relation to, among others, the Sale and Purchase Agreement and the Acquisition
“Company”	Renze Harvest International Limited (中澤豐國際有限公司), formerly known as Glory Sun Financial Group Limited (寶新金融集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 01282)
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules

“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider, and if thought fit, approve the Second Supplemental Agreement, the Revised 2nd Tranche Acquisition and the transactions contemplated therein
“Enlarged Group”	the Group as enlarged by the Revised 2nd Tranche Acquisition
“First Supplemental Agreement”	the supplemental agreement dated 22 March 2024 entered into between the Vendor and the Purchaser whereby the parties mutually agreed to extend the completion of the Original 2nd Tranche Acquisition from 22 March 2024 to 30 June 2024
“Group”	the Company and its subsidiaries
“GSLG”	Glory Sun Land Group Limited (寶新置地集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 299)
“GSLG Group”	GSLG and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Land Charge”	the charge over the Charged Property granted by the Target Company (as chargor) to Xiamen International Bank Fuzhou Branch (formerly known as Xiamen International Trust) (as chargee) as security for the Secured Loan
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Long Stop Date”	31 March 2025 (or such other date as the Purchaser and the Vendor may agree in writing)
“Material Adverse Change”	any change, event, circumstance or other matter that, in the opinion of the Purchaser, has, or would reasonably be expected to have, either individually or in aggregate, a material adverse effect on the business, assets and liabilities, financial condition, results of operations or prospects of the Target Company

“Original 2nd Tranche Acquisition”	the acquisition of the Original 2nd Tranche Sale Equity Interest by the Purchaser from the Vendor and other transactions contemplated thereunder
“Original 2nd Tranche Consideration”	the original consideration for the 2nd Tranche Acquisition in the amount of RMB1,129.45 million under the Sale and Purchase Agreement
“Original 2nd Tranche Sale Equity Interest”	49% of the total equity interest and actual paid-up registered capital of the Target Company under the Sale and Purchase Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project”	the development and construction project undertaken by the Target Company located at Longhu District, Shantou City, Guangdong Province, the PRC
“Purchaser” or “Baokai Investment”	Shenzhen Baokai Investment Holding Company Limited* (深圳寶開投資控股有限公司), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Revised 2nd Tranche Acquisition”	the acquisition of the Revised 2nd Tranche Sale Equity Interest by the Purchaser from the Vendor and other transactions contemplated under the Second Supplemental Agreement
“Revised 2nd Tranche Consideration”	the consideration for the Revised 2nd Tranche Acquisition in the amount of approximately RMB975.69 million under the Second Supplemental Agreement
“Revised 2nd Tranche Sale Equity Interest”	42.33% of the total equity interest and actual paid-up registered capital of the Target Company under the Second Supplemental Agreement
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 19 October 2022 entered into between the Purchaser and the Vendor, in respect of the Acquisition
“Second Supplemental Agreement”	the supplemental agreement entered into between the Vendor and the Purchaser on 31 July 2024 (after trading hours) whereby the parties mutually agreed to amend certain terms and conditions of the Sale and Purchase Agreement, details of which are set forth in this announcement

“Secured Loan”	the facility granted by Xiamen International Bank Fuzhou Branch (formerly known as Xiamen International Trust) to Shenzhen Baoxin at the interest rate of 6.2035% per annum (subject to periodic change of inter-bank borrowing rates) which falls due on 20 October 2025. The final outstanding principal amount and interest accrued thereon up to the due date would amount to approximately RMB371.30 million
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Charge Agreement”	the share charge agreement to be entered into between the Vendor and the Purchaser following the 2nd Tranche Completion, pursuant to which the Purchaser (as chargor) shall execute a charge over 16% of the total equity interest and actual paid-up registered capital it holds in the Target Company subsequent to the 2nd Tranche Completion in favour of the Vendor (as chargee)
“Shareholder(s)”	holder(s) of the Shares
“Shenzhen Baoxin”	Shenzhen Baoxin Industrial Company Limited* (深圳寶新實業集團有限公司), a company established in the PRC and an indirect non-wholly owned subsidiary of GSLG
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Shantou Taisheng Technology Limited* (汕頭市泰盛科技有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company upon the 1st Tranche Completion
“Vendor”	Shenzhen Hong Jia Xin Technology Limited* (深圳宏佳新科技有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of GSLG
“Xiamen International Trust”	Xiamen International Trust Co., Ltd.* (廈門國際信託有限公司)
“%”	per cent.

* For identification only

For the purpose of this announcement, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the approximate exchange rate of RMB1.00 to HK\$1.0998. This exchange rate is adopted for the purpose of illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all.

By Order of the Board
Renze Harvest International Limited
Huang Wansheng
Chairman and Chief Executive Officer

Hong Kong, 31 July 2024

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Huang Wansheng and Mr. Li Minbin; one non-executive Director, namely Mr. Zhang Chi; and three independent non-executive Directors, namely Ms. Zhao Yizi, Ms. Zhang Juan and Mr. Chan Manwell.