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(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1113)

MAJOR TRANSACTION

PROPOSED RECOMMENDED CASH ACQUISITION BY BIDCO OF THE ENTIRE ISSUED AND TO BE ISSUED SHARE CAPITAL OF GREENE KING PLC WHICH IS LISTED ON THE LONDON STOCK EXCHANGE

The Board announces that on 19 August 2019 (after the trading hours of the Hong Kong Stock Exchange), Bidco (an indirect wholly-owned subsidiary of the Company) and Target have reached agreement on the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued share capital of Target not already owned by or on behalf of the Group. The shares of Target are listed on the Official List and traded on the Main Market of the London Stock Exchange. It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under the Companies Act. Under the terms of the Acquisition, upon the Scheme becoming effective, a Cash Consideration of 850 pence (equivalent to approximately HK\$80.8) per Target Share will be paid to Target Shareholders. The Cash Consideration under the terms of the Acquisition values the entire issued and to be issued share capital of Target at approximately GBP2.7 billion (equivalent to approximately HK\$25.2 billion) on a fully diluted basis. In addition, the Acquisition allows for the distribution of the Final Dividend (subject to approval at Target's annual general meeting) to be paid to Target Shareholders. The Cash Consideration represents an enterprise value multiple of approximately 9.5x the Target's EBITDA of GBP482 million (equivalent to approximately HK\$4,579 million) for the 52-week period to 28 April 2019, or 10x including the fair value of interest rate swap liabilities as at 28 April 2019.

As one or more of the applicable percentage ratios (based on the total consideration and the transaction costs) of the Acquisition exceeds 25% but all are less than 100%, the Acquisition constitutes a major transaction for the Company and is subject to the Company's compliance with the announcement, notification and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As completion of the Acquisition is conditional on the satisfaction (or, where applicable, waiver) of certain terms and conditions, including the approval by the Shareholders at the EGM, the requisite approval by the relevant Scheme Shareholders and Target Shareholders at the Court Meeting and the Target General Meeting respectively, the receipt of the required decision(s) from the European Commission and the sanction of the Scheme by the Court, there remains the possibility that the Acquisition may not proceed. The terms and conditions of the Acquisition are summarised in this announcement, and further information will be set out in the Circular. Shareholders and potential investors should exercise caution when dealing in the Shares and other securities of the Company.

1. INTRODUCTION

The Board announces that on 19 August 2019 (after the trading hours of the Hong Kong Stock Exchange), Bidco and Target have reached agreement on the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued share capital of Target (whose shares are listed on the Official List and traded on the Main Market of the London Stock Exchange) not already owned by or on behalf of the Group. It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under the Companies Act. Under the terms of the Acquisition, upon the Scheme becoming effective, a cash consideration of 850 pence (equivalent to approximately HK\$80.8) per Target Share will be paid to the Target Shareholders. The Cash Consideration under the terms of the Acquisition values the entire issued and to be issued share capital of Target at approximately GBP2.7 billion (equivalent to approximately HK\$25.2 billion) on a fully diluted basis. In addition, the Acquisition allows for the distribution of the Final Dividend (subject to approval at Target's annual general meeting) to be paid to Target Shareholders.

2. THE ACQUISITION

2.1 The 2.7 Announcement

On 19 August 2019 (after the trading hours of the Hong Kong Stock Exchange), Bidco and Target have agreed the terms of a recommended cash offer by Bidco for the entire issued and to be issued share capital of Target not already owned by or on behalf of the Group. The 2.7 Announcement was jointly made by Bidco and Target on the same date in accordance with the requirements of the UK Takeover Code.

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (although Bidco reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the UK Panel).

2.2 Implementation of the Acquisition and the Scheme

The terms and conditions of the Acquisition are summarised in this announcement, and further information will be set out in the Circular.

2.2.1 Target Shares

The Acquisition will extend to any Target Shares which are unconditionally allotted or issued at or before the Scheme Record Time, including those allotted or issued to satisfy the exercise of options or vesting of awards under the Target Share Plans, but excluding Target Shares which are already owned by or on behalf of the Group.

The Scheme will not extend to Target Shares issued after the Scheme Record Time. However, it is proposed to amend Target's articles of association at the Target General Meeting to provide that, if the Acquisition becomes Effective, any Target Shares issued to any person other than Bidco or its nominees after the Scheme Record Time (including in satisfaction of an option exercised under one of the Target Share Plans) will be automatically transferred to Bidco in consideration for the payment by Bidco to such persons of an amount equal to the Cash Consideration available under the terms of the Acquisition for each Target Share so transferred.

2.2.2 Consideration for Target Shares

The Acquisition will be made on the following basis:

For each Target Share	850 pence (equivalent to approximately HK\$80.8) in cash (the "Cash Consideration")
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The Cash Consideration has been arrived at after commercial negotiation between the Group and Target, taking into account market comparables, Target's market position and long-term profitability. The Cash Consideration under the terms of the Acquisition values the entire issued and to be issued share capital of Target at approximately GBP2.7 billion (equivalent to approximately HK\$25.2 billion) on a fully diluted basis. The Cash Consideration represents an enterprise value multiple of approximately 9.5x the Target's EBITDA of GBP482 million (equivalent to approximately HK\$4,579 million) for the 52-week period to 28 April 2019, or 10x including the fair value of interest rate swap liabilities as at 28 April 2019.

In addition, the Acquisition allows for the distribution of the previously announced final dividend for the 52 weeks ended 28 April 2019 of 24.4 pence (equivalent to approximately HK\$2.3) per Target Share to be paid (subject to approval by Target Shareholders at Target's upcoming annual general meeting) on 13 September 2019 to Target Shareholders on the register as at the close of business on 9 August 2019 (the "**Final Dividend**").

If, on or after the date of the 2.7 Announcement and before the Effective Date, any dividend and/or other distribution and/or return of capital (other than the Final Dividend) is declared, made or paid or becomes payable in respect of the Target Shares, Bidco reserves the right to reduce the Cash Consideration payable under the terms of the Acquisition for the Target Shares by an amount up to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in the 2.7 Announcement to the Cash Consideration payable under the terms of the Acquisition will be deemed to be a reference to the Cash Consideration as so reduced.

The cash consideration payable by Bidco pursuant to the Acquisition will be funded from the Group's existing cash resources.

2.2.3 Scheme process

To become Effective, the Scheme requires, among other things, the approval of a majority in number representing 75% or more in value of the relevant Target Shareholders present and voting in person or by proxy at the Court Meeting, which is convened by order of the Court, and the passing of the resolutions necessary to implement the Acquisition at the Target General Meeting (which will require the approval of Target Shareholders representing at least 75% of the votes cast at the Target General Meeting either in person or by proxy). The Scheme must also be sanctioned by the Court and, following such sanction, a copy of the Court Order must be delivered to the UK Registrar of Companies.

It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Target Meetings, together with the associated forms of proxy, will be posted to Target Shareholders within 28 days of the 2.7 Announcement (or such later time as Target, Bidco and the UK Panel agree) and the Target Meetings are expected to be held shortly thereafter.

Once the necessary approvals from the Target Shareholders and the Shareholders and the required decision(s) from the European Commission have been obtained and the other Conditions have been satisfied or (where applicable) waived and the Scheme has been sanctioned by the Court, the Scheme will become effective upon delivery of a copy of the Court Order to the UK Registrar of Companies. Subject to the satisfaction of the Conditions, the Scheme is expected to become effective in the fourth quarter of 2019.

2.3 Conditions to and further terms of the Acquisition and the Scheme

The Acquisition will be conditional upon the Scheme becoming unconditional and effective, subject to the provisions of the UK Takeover Code, by no later than 11.59 p.m. (London time) on the Long Stop Date. The Acquisition and the Scheme will be subject to the Conditions. The terms and conditions of the Acquisition are summarised in this announcement, and further information will be set out in the Circular. The Conditions include, amongst others:

- (a) (i) the approval of the Scheme by a majority in number of the Scheme Shareholders who are present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof), and who represent 75% or more in value of the Scheme Shares voted by these Scheme Shareholders; and (ii) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Target (and that the Court may allow));
- (b) (i) the resolutions required to implement the Scheme being duly passed at the Target General Meeting (or any adjournment thereof); and (ii) such Target General Meeting being held on or before the 22nd day after the expected date of the Target General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Target (and that the Court may allow));
- (c) (i) the sanction of the Scheme by the Court (with or without modification (but subject to such modification being acceptable to Bidco and Target)) and the delivery of a copy of the Court Order to the UK Registrar of Companies; and (ii) the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Target (and that the Court may allow));
- (d) the passing at the EGM (or any adjournment thereof) of such resolution or resolutions as are necessary to approve, implement and effect the Acquisition (as such resolutions may be set out in the Circular); and
- (e) in so far as the Acquisition constitutes a concentration with a community dimension within the scope of Council Regulation, the receipt of the required decision(s) from the European Commission under the relevant provisions of the Council Regulation.

Subject to the requirements of the UK Panel in accordance with the UK Takeover Code, Bidco reserves the right to waive, in whole or in part, all or any of the Conditions set out in the 2.7 Announcement, except the Conditions set out in paragraph 2.3(a)(i), 2.3(b)(i), 2.3(c)(i) and 2.3(d) above which cannot be waived. Under the UK Takeover Code, Bidco may not invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition.

If any Condition is not capable of being satisfied by the date specified in such Condition, Bidco shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by not later than 7.00 a.m. (London time) on the Business Day following the date so specified, stating whether Bidco has invoked that Condition, (where applicable) waived that Condition or, with the agreement of Target, specified a new date by which that Condition must be satisfied.

The Acquisition will lapse if (i) there is a Phase 2 CMA Reference; or (ii) the European Commission initiates proceedings under Article 6(1)(c) of the Council Regulation, before the Target Meetings. In any of such event, Target will not be bound by the terms of the Scheme.

Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Acquisition will be implemented on the same terms (subject to appropriate amendments including (without limitation) the inclusion of an acceptance condition set at 75% (or such other percentage (being more than 50%) as the UK Panel may require or Bidco may, subject to the rules of the UK Takeover Code, decide) of the shares to which the Takeover Offer relates and those required by, or deemed appropriate by, Bidco under applicable law, so far as applicable) as those which would apply to the Scheme. Further, if sufficient acceptances of such offer are received and/or sufficient Target Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Companies Act to acquire compulsorily any outstanding Target Shares to which such Takeover Offer relates.

For further details about the terms and conditions of the Acquisition, please refer to the Circular.

2.4 Delisting of Target, cancellation of trading of Target Shares and re-registration of Target

It is intended that the London Stock Exchange and the FCA will be requested respectively to cancel trading in Target Shares on the London Stock Exchange's market for listed securities and the listing of the Target Shares from the Official List on or shortly after the Effective Date.

It is intended that Target be re-registered as a private limited company as soon as practicable on or following the Effective Date and that Target shall become a wholly-owned subsidiary of the Group.

2.5 Recommendation by and voting intentions of Target Directors

As stated in the 2.7 Announcement, the Target Directors, who have been so advised by Target's Financial Advisors as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the Target Directors, Target's Financial Advisors have taken into account the commercial assessments of the Target Directors.

Accordingly, the Target Directors intend unanimously to recommend that Target Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Acquisition at the Target General Meeting as the Target Directors who hold Target Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 155,020 Target Shares (representing approximately 0.050 per cent. of the existing issued ordinary share capital of Target) as at 16 August 2019, being the last Business Day prior to the date of the 2.7 Announcement, such undertaking to lapse if, among other things, there is a Company Board Recommendation Change.

3. COOPERATION AGREEMENT

3.1 Principal terms of the Cooperation Agreement

On 19 August 2019 (after the trading hours of the Hong Kong Stock Exchange), the Company, Bidco and Target entered into the Cooperation Agreement for setting out certain terms and conditions and processes for the Acquisition. The principal terms of the Cooperation Agreement are summarised as follows:

- (a) the Company and Bidco have agreed to use all reasonable efforts to satisfy the antitrust condition in paragraph 2.3(e) above and Target has agreed to cooperate for the purposes of ensuring such condition;
- (b) each of the Company and Bidco has agreed to provide Target with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document;
- (c) Target has agreed to provide the Company with certain information for the purposes of preparing the Circular and to otherwise assist with the preparation of the Circular; and
- (d) the Company, Bidco and Target have agreed provisions that will apply in respect of the Target Share Plans and certain other employee incentive arrangements.

3.2 Termination events

The Cooperation Agreement will terminate in certain circumstances, including (subject to certain exceptions):

- (a) at the Company and Bidco's election if:
 - (i) the Target Directors make a Target Adverse Recommendation Change;
 - (ii) a third party announces a firm intention to make an offer for Target which is recommended by the Target Directors;
 - (iii) Target announces that it will not convene the Target General Meeting or Court Meeting or it does not intend to publish the Scheme Document; or
 - (iv) once published, the date set out in the Scheme Document for the Target General Meeting and Court Meeting is more than 28 days after the date of the Scheme Document, unless such later date is to ensure the Target Meetings are held later than, but on the same date as, the EGM;
- (b) at Target's election if there is a Company Board Recommendation Change;

- (c) if a competing proposal becomes effective or is declared or becomes unconditional in all respects;
- (d) if the Acquisition lapses, terminates or is withdrawn on or prior to the Long Stop Date, including where a Condition has not been satisfied and has been successfully invoked by Bidco;
- (e) at the election of the Company, Bidco or Target following the occurrence of a break fee event (as described below); and
- (f) as otherwise agreed between the Company, Bidco and Target.

3.3 Break fee

The Company has undertaken to pay a break fee to Target of GBP53.1 million (equivalent to approximately HK\$504.5 million) if:

- (1) both of the following events occur:
 - (a) the Company fails to procure that, not later than five Business Days after the Circular has been despatched to the Shareholders, the relevant trustees of the Trust provide to Target an irrevocable undertaking to vote in favour of the resolutions relating to the Acquisition at the EGM, or the relevant trustees of the Trust to vote their Shares in favour of such resolutions at the EGM in accordance with such undertaking; AND
 - (b) with a vote having been held on the resolutions relating to the Acquisition at the EGM, the resolutions are not passed by the Shareholders; or
- (2) the Company fails to include the Company Board Recommendation in the Circular or there is a Company Board Recommendation Change prior to the EGM; AND

either:

- (a) the EGM is not held in sufficient time to enable completion of the Acquisition to occur by the Long Stop Date; or
- (b) with a vote having been held on the resolutions relating to the Acquisition at the EGM, the resolutions are not passed by the Shareholders; or

- (3) any of the Directors or directors of Bidco, Mr. Li Ka-shing or any of the members of the executive committee of the Company make a public statement at or prior to the EGM which is reasonably likely to have an adverse effect on the passing of the resolutions relating to the Acquisition at the EGM AND with a vote having been held on the resolutions relating to the Acquisition, the resolutions are not passed by the Shareholders.

However, no break fee will be payable if (i) at the time of the relevant break fee event the Cooperation Agreement has already been terminated; (ii) the relevant break fee event has been caused by Target's material breach of its obligations under certain provisions of the Cooperation Agreement; or (iii) prior to the time of the relevant break fee event, there has been a Target Adverse Recommendation Change.

4. INFORMATION ON THE TARGET GROUP

Target is the United Kingdom's leading integrated brewer and pub retailer operating over 2,700 pubs, restaurants and hotels across England, Wales and Scotland, and its three main trading divisions are "Pub Company", "Pub Partners" and "Brewing & Brands". As at 28 April 2019, Target had 1,687 managed pubs, restaurants and hotels and 81% of the Target estate was either freehold or long leasehold.

Based on the audited financial statements contained in the 2018 Target Annual Report, for the 52-week financial period ended 29 April 2018, the Target Group's revenue was GBP2,177 million (equivalent to approximately HK\$20,679 million) and its operating profit before exceptional and non-underlying items was GBP373 million (equivalent to approximately HK\$3,544 million). Profit before tax and exceptional and non-underlying items was GBP243 million (equivalent to approximately HK\$2,309 million), while adjusted basic earnings per share were 62.7 pence (equivalent to approximately HK\$6.0). Net profit before tax was GBP198 million (equivalent to approximately HK\$1,876 million), net profit after tax was GBP183 million (equivalent to approximately HK\$1,741 million) and net assets were GBP2,073 million (equivalent to approximately HK\$19,694 million).

Based on the 2019 Target Annual Report, for the 52-week financial period ended 28 April 2019, the Target Group's revenue was GBP2,217 million (equivalent to approximately HK\$21,061 million) and its operating profit before exceptional and non-underlying items was GBP368 million (equivalent to approximately HK\$3,498 million). Profit before tax and exceptional and non-underlying items was GBP247 million (equivalent to approximately HK\$2,346 million), while adjusted basic earnings per share were 64.5 pence (equivalent to approximately HK\$6.1). Net profit before tax was GBP173 million (equivalent to approximately HK\$1,642 million), net profit after tax was GBP120 million (equivalent to approximately HK\$1,144 million) and net assets were GBP2,108 million (equivalent to approximately HK\$20,025 million).

The Company has an indirect interest in 8,990,182 Target Shares, held via a wholly-owned subsidiary of the Company, representing approximately 2.9% of Target's issued share capital as at 16 August 2019, being the last Business Day prior to the date of the 2.7 Announcement.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Target and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company under the Listing Rules.

5. INFORMATION ON BIDCO AND ON THE GROUP

Bidco is a newly incorporated indirect wholly-owned subsidiary of the Company. Bidco is a private limited company incorporated under the laws of England and Wales.

The Group is a leading multinational corporation and has diverse capabilities with activities encompassing property development and investment, hotel and serviced suite operation, property and project management, investment in infrastructure and utility asset operation and aircraft leasing.

6. REASONS FOR, AND BENEFITS OF, THE ACQUISITION

The Group is a long-term and strategic investor in stable, profitable and cash flow generating businesses that benefit from real estate backing. The Company believes that the United Kingdom pub and brewing sector shares these characteristics and that pubs will continue to be an important part of British culture and the eating and drinking out market. The Group has invested in the United Kingdom pub sector and owns a small portfolio of pubs, all of which are leased to the Target Group. The Acquisition represents a significant additional investment in the sector.

The specific attractions of Target include its: established position in the United Kingdom pub market; freehold and long leasehold backed property estate; and resilient financial profile.

The Directors believe that the Group would benefit from the Acquisition as it represents an attractive investment opportunity for the Company's investors. The Acquisition is consistent with the Group's global diversification policy and is in accordance with the Group's investment criteria. Upon the Acquisition becoming Effective, the Group is expected to benefit from being able to extend its reach to other business areas and the stable recurrent income generated from such reach, and from consolidating its holdings in and through the United Kingdom.

The Group's strategic philosophy is to support management teams to develop and implement plans which create long-term value. This is underpinned by access to strong financial backing. The Group believes that it has the financial resources to invest capital in new initiatives, where appropriate, to improve the sustainability, profitability and competitiveness of Target.

The Group looks forward to working with all stakeholders of the Target business, including its management, employees and tenants, to enhance Target's long term value and market position.

For the above reasons, the Directors believe that the terms of the Acquisition are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

7. IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios based on the total consideration and the transaction costs of the Acquisition exceeds 25% but are all less than 100%, the Acquisition constitutes a major transaction for the Company and is subject to the Company's compliance with the announcement, notification and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Circular containing, among other things, (i) information on the Acquisition and the Scheme, (ii) relevant financial information on Target, and (iii) pro forma financial information of the Group upon the Acquisition becoming Effective will be sent to the Shareholders. In order to allow sufficient time for the Company to prepare the Circular and pending publication of the Scheme Document, the Circular will be despatched more than 15 business days after the publication of this announcement and is expected to be despatched to the Shareholders on or about 16 September 2019, which is currently expected to be the same date as the despatch date of the Scheme Document to Target Shareholders.

8. RECOMMENDATION AND INDICATION AS TO VOTING

Having taken into account the reasons for and the benefits of the Acquisition as more particularly described under the section headed "6. *Reasons for, and benefits of, the Acquisition*" of this announcement, the Directors (including the independent non-executive directors) intend unanimously to recommend the Shareholders to vote in favour of the resolution(s) to approve and implement the Acquisition at the EGM.

Each Director (including the independent non-executive Directors) who has a personal interest in any Shares in the Company has provided an irrevocable undertaking to vote such Shares in favour of the resolution to approve and implement the Acquisition at the EGM, such undertaking to lapse if, among other things, there is a Target Adverse Recommendation Change.

In addition, the Company has agreed to procure that the relevant trustees of the Trust provide to Target an irrevocable undertaking to vote in favour of, or procure that the registered holders vote in favour of, the resolutions relating to the Acquisition at the EGM in respect of the 1,160,195,710 Shares which they hold directly or indirectly (representing approximately 31.41% of the existing issued share capital of the Company as at 16 August 2019, being the last Business Day prior to the date of the 2.7 Announcement).

9. FURTHER INFORMATION

9.1 Further announcement(s)

Further announcement(s) will be made by the Company on the developments of the Acquisition as and when appropriate.

As completion of the Acquisition is conditional on the satisfaction (or, where applicable, waiver) of certain terms and conditions, including the approval by the Shareholders at the EGM, the requisite approval by the relevant Scheme Shareholders and Target Shareholders at the Court Meeting and the Target General Meeting respectively, the receipt of the required decision(s) from the European Commission and the sanction of the Scheme by the Court, there remains the possibility that the Acquisition may not proceed. Please refer to the details of the Conditions and any further information to be set out in the Circular. Shareholders and potential investors should exercise caution when dealing in the Shares and other securities of the Company.

10. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“2.7 Announcement”	the announcement made by Bidco and Target through a Regulatory Information Service dated 19 August 2019 detailing the terms and conditions of the Acquisition to be made under Rule 2.7 of the UK Takeover Code
“2018 Target Annual Report”	the annual report and audited accounts of the Target Group for the 52 weeks ended 29 April 2018
“2019 Target Annual Report”	the annual report and audited accounts of the Target Group for the 52 weeks ended 28 April 2019
“Acquisition”	the proposed recommended cash acquisition by Bidco of the entire issued and to be issued share capital of Target not already owned by or on behalf of the Group by means of the Scheme (and other matters to be considered at the Target Meetings), or should Bidco so elect, by means of a Takeover Offer
“Bidco”	CK Noble (UK) Limited, an indirect wholly-owned subsidiary of the Company and a private company incorporated under the laws of England and Wales with limited liability

“Board”	the board of Directors
“Business Day”	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business
“Circular”	the circular to be issued by the Company to the Shareholders in relation to the Acquisition
“CMA”	the Competition and Markets Authority of the UK
“Companies Act”	the Companies Act 2006 of the UK, as amended from time to time
“Company”	CK Asset Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1113)
“Company Board Recommendation”	a unanimous and unconditional recommendation from the Board that the Shareholders vote in favour of the resolutions to approve and implement the Acquisition at the EGM
“Company Board Recommendation Change”	if the Board withdraw, qualify or adversely modify: (i) prior to publication of the Circular, their intention to give the Company Board Recommendation in the Circular so that it is not given in the Circular; or (ii) following publication of the Circular, the Company Board Recommendation
“Condition(s)”	the condition(s) to the implementation of the Acquisition (including the Scheme) which are set out in the 2.7 Announcement
“connected person”	has the meaning ascribed to such term in the Listing Rules
“Cooperation Agreement”	the cooperation agreement dated 19 August 2019 made between the Company, Bidco and Target
“Council Regulation”	Council Regulation (EC) 139/2004/EC

“Court”	the High Court of Justice in England and Wales
“Court Meeting”	the meeting of Target Shareholders to be convened at the direction of the Court pursuant to Part 26 of the Companies Act at which a resolution will be proposed to approve the Scheme, including any adjournment thereof
“Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act
“Director(s)”	the director(s) of the Company
“DT1”	The Li Ka-Shing Unity Discretionary Trust, of which Mr. Li Ka-shing is the settlor and, among others, Mr. Li Tzar Kuoi, Victor is a discretionary beneficiary, and the trustee of which is TDT1
“DT2”	a discretionary trust of which Mr. Li Ka-shing is the settlor and, among others, Mr. Li Tzar Kuoi, Victor is a discretionary beneficiary, and the trustee of which is TDT2
“DT3”	a discretionary trust of which Mr. Li Ka-shing is the settlor and, among others, Mr. Li Tzar Kuoi, Victor is a discretionary beneficiary, and the trustee of which is TDT3
“DT4”	a discretionary trust of which Mr. Li Ka-shing is the settlor and, among others, Mr. Li Tzar Kuoi, Victor is a discretionary beneficiary, and the trustee of which is TDT4
“EBITDA”	earnings before interest, tax, depreciation, amortisation and exceptional and non-underlying items
“Effective”	in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the UK Takeover Code

“Effective Date”	the date on which the Acquisition becomes Effective
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, pass the resolutions to approve the Acquisition, including any adjournments thereof
“Excluded Shares”	any Target Shares beneficially owned by Bidco or any other member of the Group immediately prior to the Scheme Record Time
“FCA”	Financial Conduct Authority or its successor from time to time
“Final Dividend”	has the meaning ascribed to it under the paragraph headed “2.2.2. <i>Consideration for Target Shares</i> ” in this announcement
“GBP”, “£”, “pence” or “p”	the lawful currency of the United Kingdom
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“London Stock Exchange”	the London Stock Exchange plc or its successor
“Long Stop Date”	31 March 2020 (or such later date as may be agreed between Bidco and Target and the UK Panel and the Court may allow)
“Official List”	the Official List of the FCA
“percentage ratios”	shall have the meaning ascribed to such term in Chapter 14 of the Listing Rules
“Phase 2 CMA Reference”	a reference of the Acquisition to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013

“Regulatory Information Service”	a regulatory information service as defined in the FCA’s Handbook of rules and guidance as amended from time to time
“Sanction Hearing”	the Court hearing to sanction the Scheme
“Scheme”	the proposed scheme of arrangement under Part 26 of the Companies Act between Target and the holders of the Target Shares, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Target and Bidco
“Scheme Document”	the document to be sent to Target Shareholders and persons with information rights containing, amongst other things, the Scheme and notices of the Target Meetings and proxy forms in respect of the Target Meetings
“Scheme Record Time”	the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. (London time) on the date of the Sanction Hearing
“Scheme Shareholders”	holders of Scheme Shares
“Scheme Shares”	a definition to be specified in the Scheme Document, expected to be: (i) the Target Shares in issue at the date of the Scheme and (where the context requires) which remain in issue at the Scheme Record Time; (ii) any Target Shares issued after the date of the Scheme but before the Voting Record Time and (where the context requires) which remain in issue at the Scheme Record Time; and (iii) any Target Shares issued at or after the Voting Record Time and before the Scheme Record Time on terms that the holder thereof shall be bound by the Scheme, or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be bound by the Scheme, and in each case (where the context requires) which remain in issue at the Scheme Record Time but in any case excluding any Excluded Shares
“Shareholders”	holders of Shares
“Shares”	ordinary shares in the capital of the Company with a nominal value of HK\$1.00 each

“subsidiary” and “subsidiary undertaking”	shall be construed in accordance with the Companies Act
“substantial shareholder”	has the meaning ascribed to such term in the Listing Rules
“Takeover Offer”	subject to the consent of the UK Panel, should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued share capital of Target, other than Target Shares held by the Group and, where the context admits, any subsequent revision, variation, extension or renewal of such offer
“Target”	Greene King plc
“Target Adverse Recommendation Change”	if the Target Directors: (i) do not include the Target Board Recommendation in the Scheme Document; (ii) withdraw, qualify or adversely modify the Target Board Recommendation; or (iii) prior to publication of the Scheme Document, withdraw, qualify or adversely modify their intention to give the Target Board Recommendation in the Scheme Document
“Target Board Recommendation”	a unanimous and unconditional recommendation from Target Directors that Target Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Acquisition at the Target General Meeting, or, if Bidco proceeds by way of a Takeover Offer, to accept the Takeover Offer, as the case may be
“Target Directors”	the directors of Target
“Target’s Financial Advisors”	Citigroup Global Markets Limited and N. M. Rothschild & Sons Limited
“Target General Meeting”	the general meeting of Target Shareholders to be convened to consider and if thought fit pass, inter alia, the resolutions in relation to the implementation of the Scheme and certain amendments to be made to the articles of association of Target, including any adjournments thereof

“Target Group”	Target and its subsidiary undertakings and where the context permits, each of them
“Target Meetings”	the Court Meeting and the Target General Meeting
“Target Share Plans”	the Greene King plc Performance Share Plan 2013, the Greene King plc 2016 Restricted Share Plan, the Greene King Deferred Share Scheme, the Greene King Sharesave Scheme 2015, the Greene King Free4All Employee Profit Share Scheme, the Greene King Save4Shares Scheme 2005 and the Spirit Share Incentive Plan
“Target Share(s) ”	the existing unconditionally allotted or issued and fully paid ordinary shares of 12.5 pence each in the capital of Target and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective but excluding in both cases any such shares held or which become held in treasury
“Target Shareholder(s) ”	holders of Target Shares
“TDT1”	Li Ka-Shing Unity Trustee Corporation Limited, a company incorporated in the Cayman Islands, which is the trustee of DT1
“TDT2”	Li Ka-Shing Unity Trustcorp Limited, a company incorporated in the Cayman Islands, which is the trustee of DT2
“TDT3”	Li Ka-Shing Castle Trustee Corporation Limited, a company incorporated in the Cayman Islands, which is trustee of DT3
“TDT4”	Li Ka-Shing Castle Trustcorp Limited, a company incorporated in the Cayman Islands, which is the trustee of DT4
“Trust”	DT1, DT2, DT3, DT4, UT1 and UT3, and where the context requires, any of them
“UK Panel”	the Panel on Takeovers and Mergers of the UK
“UK Registrar of Companies”	the Registrar of Companies in England and Wales
“UK Takeover Code”	the City Code on Takeovers and Mergers issued by the UK Panel, as amended from time to time

“UK” or “United Kingdom”	United Kingdom of Great Britain and Northern Ireland
“UT1”	The Li Ka-Shing Unity Trust
“UT3”	The Li Ka-Shing Castle Trust
“Voting Record Time”	the time and date to be specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
“%”	per cent.

Note:

- 1. The figures in “GBP” are converted into HK\$ at the rate of GBP1.00 : HK\$9.50 throughout this announcement for indicative purposes only, and should not be construed as a representation that any amount has been, could have been or may be, exchanged at this or any other rate.*
- 2. All times referred to are London time unless otherwise stated.*

By Order of the Board
CK ASSET HOLDINGS LIMITED
Eirene Yeung
*Executive Committee Member &
Company Secretary*

Hong Kong, 19 August 2019

The Directors of the Company as at the date of this announcement are Mr. LI Tzar Kuoi, Victor, (*Chairman and Managing Director*), Mr. KAM Hing Lam (*Deputy Managing Director*), Mr. IP Tak Chuen, Edmond (*Deputy Managing Director*), Mr. CHUNG Sun Keung, Davy, Mr. CHIU Kwok Hung, Justin, Mr. CHOW Wai Kam, Raymond, Ms. PAU Yee Wan, Ezra and Ms. WOO Chia Ching, Grace as Executive Directors; and Mr. CHEONG Ying Chew, Henry, Mr. CHOW Nin Mow, Albert, Ms. HUNG Siu-lin, Katherine, Mr. Colin Stevens RUSSEL and Mr. Donald Jeffrey ROBERTS as Independent Non-executive Directors.