

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.

This joint announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of Sun Art Retail Group Limited.

SUN ART
Retail Group Limited

TAOBAO CHINA HOLDING LIMITED

(incorporated in Hong Kong with limited liability)

SUN ART RETAIL GROUP LIMITED

高鑫零售有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 06808)

JOINT ANNOUNCEMENT

**1) CLOSE OF MANDATORY UNCONDITIONAL CASH OFFER BY
CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG
SECURITIES LIMITED ON BEHALF OF
TAOBAO CHINA HOLDING LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES IN
SUN ART RETAIL GROUP LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY TAOBAO CHINA HOLDING LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

AND

2) RESULTS OF THE OFFER

Financial adviser to the Offeror



Financial adviser to the Company



Independent Financial Adviser to the Independent Board Committee



References are made to (i) the joint announcement issued by the Offeror and the Company dated 20 November 2017 in relation to, among other things, the Share Purchase Agreements and the Offer; (ii) the joint announcement issued by the Offeror and the Company in relation to Completion dated 8 December 2017; and (iii) the composite offer and response document jointly issued by the Offeror and the Company dated 22 December 2017 (the “**Composite Document**”). Unless the context requires otherwise, capitalised terms used in this joint announcement shall have the same meanings as those defined in the Composite Document.

CLOSE OF THE OFFER

The Offer made by CICC on behalf of the Offeror closed at 4:00 p.m. on Friday, 12 January 2018. The Offer was not revised or extended in accordance with the Takeovers Code.

RESULTS OF THE OFFER

As at 4:00 p.m. on Friday, 12 January 2018, being the latest time and date for acceptance of the Offer, the Offeror has received valid acceptances in respect of a total of 303,560 Offer Shares, representing approximately 0.0032% of the issued Shares as at the date of this joint announcement. Taking into account the valid acceptances in respect of 303,560 Offer Shares, the Offeror and its concert parties hold an aggregate of 6,867,092,329 Shares, representing approximately 71.98% of the issued Shares as at the date of this joint announcement.

SETTLEMENT OF THE OFFER

A cheque for the amount due to the relevant accepting Shareholder, less seller's *ad valorem* stamp duty payable by the accepting Shareholder and if applicable, the fees payable to the Registrar in respect of lost or unavailable Share certificates, has been/will be despatched to the relevant accepting Shareholder by ordinary post at his/her/its own risk as soon as possible, but in any event within seven Business Days after the date on which all relevant documents are received by the Registrar to render such acceptance complete and valid.

SHAREHOLDING STRUCTURE OF THE COMPANY

Save for (1) the Listco Sale Shares, (2) such Offer Shares validly accepted under the Offer and (3) the shares acquired by the relevant members of the CICC group (except those which are exempt principal traders or exempt fund managers recognised by the Executive as such for the purpose of the Takeovers Code) on a non-discretionary and non-proprietary basis for and on behalf of their clients, the Offeror and its concert parties have not acquired or agreed to acquire any Shares or rights over Shares during the Offer Period. None of the Offeror and its concert parties has borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period.

Immediately before the offer period, the Offeror and its concert parties held approximately 60.71% of the issued Shares. Immediately after Completion but prior to the making of the Offer, the Offeror and its concert parties held approximately 71.98% of the issued Shares. Immediately after the close of the Offer, and taking into account the valid acceptances in respect of 303,560 Offer Shares, the Offeror and its concert parties will hold an aggregate of 6,867,092,329 Shares, representing approximately 71.98% of the issued Shares as at the date of this joint announcement. For the purpose of this paragraph, such Shares held by the concert parties of the Offeror exclude the Shares held by the relevant members of the CICC group (except those which are exempt principal traders or exempt fund managers recognised by the Executive as such for the purpose of the Takeovers Code) on a non-discretionary and non-proprietary basis for and on behalf of their clients.

The following table sets out the shareholding structure of the Company (i) immediately before the offer period; (ii) immediately following Completion but before the making of the Offer; and (iii) immediately after the close of the Offer on the date of this joint announcement (assuming valid acceptances in respect of 303,560 Shares and settlement having taken place):

	Immediately before the offer period		Immediately after Completion but before the making of the Offer		Immediately after the close of the Offer and as at the date of this joint announcement	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Offeror and its concert parties (including presumed concert parties)						
– Offeror	0	0.00%	2,001,450,083	20.98%	2,001,753,643	20.98%
– A-RT	4,865,338,686	51.00%	4,865,338,686	51.00%	4,865,338,686	51.00%
– Auchan Retail International	926,418,766	9.71%	0	0.00%	0	0.00%
CGC	807,024,010	8.46%	249,240,945	2.61%	249,240,945	2.61%
Kofu	748,376,538	7.84%	231,128,286	2.42%	231,128,286	2.42%
Directors or former Director	123,429,074	1.29%	123,429,074	1.29%	23,429,074	1.29%
Public Shareholders (note 1)	2,069,117,626	21.69%	2,069,117,626	21.69%	2,068,814,066	21.69%
Total (note 2)	<u>9,539,704,700</u>	<u>100.00%</u>	<u>9,539,704,700</u>	<u>100.00%</u>	<u>9,539,704,700</u>	<u>100.00%</u>

Note 1: These Shares include 10,000 Shares, 224,500 Shares and 296,000 Shares held by CICC group (except those which are exempt principal traders or exempt fund managers recognised by the Executive as such for the purpose of the Takeovers Code) as at 20 November 2017 (immediately before the offer period), 19 December 2017 (being the Latest Practicable Date for the Composite Document) and 12 January 2018 (being the date of this joint announcement), respectively, in respect of non-discretionary trades conducted for and on behalf of its clients (who are entitled to accept the Offer, if made).

Note 2: The total percentage figures may not add up to 100.00% due to rounding off of numbers.

PUBLIC FLOAT

Immediately following the close of the Offer, subject to the due registration by the Registrar of the transfer of the Shares in respect of which valid acceptances were received, 2,068,814,066 Shares, representing approximately 21.69% of the issued Shares as at the date of this joint announcement, are held by the public (within the meaning of the Listing Rules), which is greater than the public float requirement of 19.38% under the Listing Rules.

On behalf of the board
Taobao China Holding Limited
Timothy Alexander STEINERT
Director

On behalf of the Board
Sun Art Retail Group Limited
CHENG Chuan-Tai
Chairman

As at the date of this joint announcement, the Directors of the Company are:

Executive Directors:

Ludovic, Frédéric, Pierre HOLINIER (*Chief Executive Officer*)
HUANG Ming-Tuan

Non-executive Directors:

CHENG Chuan-Tai (*Chairman*)
Benoit Claude Francois Marie Joseph LECLERCQ
Xavier Marie Alain DELOM de MEZERAC
Wilhelm Louis HUBNER

Independent Non-executive Directors:

Karen Yifen CHANG
Desmond MURRAY
HE Yi

The Directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than any information relating to the Offeror and its concert parties but including in relation to the Group) 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 Offeror and its concert parties but including those expressed by the Group) 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 statements in this joint announcement misleading.

As at the date of this joint announcement, the directors of the Offeror are Mr. Timothy Alexander STEINERT, Ms. WU Wei and Mr. YIP Pak Tung, Jason.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Group) 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.