

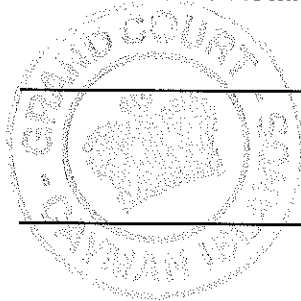
IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION



CAUSE NO. FSD 35 OF 2017

IN THE MATTER of sections 14 to 16 and section 86 of the Companies Law (2016 Revision)

AND IN THE MATTER of Intime Retail (Group) Company Limited 銀泰商業(集團)有限公司



PETITION



To: The Grand Court of the Cayman Islands

THE HUMBLE PETITION OF INTIME RETAIL (GROUP) COMPANY LIMITED
銀泰商業(集團)有限公司 of PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands
(hereinafter referred to as the "**Company**") SHEWETH as follows:

1 Introduction

1.1 The objects of this Petition are to seek:

- (a) the sanction of the Court pursuant to section 86 of the Companies Law (2016 Revision) (the "**Companies Law**") to a proposed Scheme of Arrangement (the "**Scheme**") between the Company and the holders of the Scheme Shares, as defined in the Scheme and as set out at paragraph 5 below; and
- (b) the confirmation of the Court, pursuant to section 16 of the Companies Law, of the intended resolution of the Company's shareholders to reduce the Company's share capital to give effect to the Scheme, which is intended to be passed by the Company's shareholders as a special resolution as further set out at paragraph 8.2 below.

2 Incorporation, Objects and Share Capital

- 2.1 On 8 November 2006, the Company was incorporated with the name Intime International Company Limited as an exempted company limited by shares pursuant to the Companies Law. The Company changed its name to Intime International Company Ltd. by special resolution dated 20 November 2006 and adopted 银泰国际有限公司 as the Company's Chinese name. By special resolution dated 30 January 2007, the Company changed its name to Intime Department Store (Group) Company Limited and by special resolution dated 14 February 2007 changed its name to Intime Department Store (Group) Company Ltd and adopted 银泰百货(集团)有限公司 as its Chinese name. By special resolution dated 31 May 2013, the Company changed its name once more to Intime Retail (Group) Company Limited, its current name, and adopted the Chinese name 银泰商业(集团)有限公司. The registered office of the Company is and has always been situated at PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands. The Company's head office is at 1063-3, Creative Culture Industrial Park, Sihui East Road, Chaoyang District, Beijing, the People's Republic of China (the "PRC").
- 2.2 The objects for which the Company was established are unrestricted, and generally to carry out the objects more particularly described in its Memorandum of Association. The Company and its subsidiaries (together the "**Group**") are principally engaged in the business of operation and management of department stores and shopping malls in the PRC.
- 2.3 The authorised share capital of the Company is US\$50,000 divided into 5,000,000,000 ordinary shares of a single class with a par value of US\$0.00001 each (each a "**Share**"). As at 10 February 2017, the issued share capital of the Company is US\$27,216.00 divided into 2,721,600,226 Shares, all of which are fully paid. Since 20 March 2007, the issued Shares of the Company have been listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited (the "**HK Stock Exchange**").

3 Shareholder Profile

3.1 The profile of the Company's shareholders, as at 10 February 2017, is as follows:

- (a) Alibaba Investment Limited, an investment holding company incorporated in the British Virgin Islands, which is a directly wholly-owned subsidiary and the principal holding company for the strategic investments of Alibaba Group Holding Limited, a company incorporated in the Cayman Islands whose American depositary shares are listed on the New York Stock Exchange, is the registered holder of 755,727,738 Shares, representing approximately 27.77% of the Company's issued Shares;
- (b) Intime International Holdings Limited, a limited liability company incorporated in the Cayman Islands and directly and wholly-owned by Mr. Shen Guojun (together with Alibaba Investment Limited, the "**Joint Offerors**"), owns or controls 249,073,015 Shares, representing approximately 9.15% of the Company's issued Shares, 162,280,000 of which are registered in Intime International Holdings Limited's name and the remainder of which are registered in the name of HKSCC Nominees (as defined below). Intime International Holdings Limited is currently arranging to transfer its interest held through HKSCC Nominees into its own name;
- (c) HKSCC Nominees Limited ("**HKSCC Nominees**"), a company incorporated in Hong Kong, is the registered holder of 1,677,864,837 Shares, comprising 61.65% of the Company's issued Shares (including Shares held on behalf of Intime International Holdings Limited as referred to above, some of the Joint Offerors Concert Parties (as defined and referred to below) and Chen Group (as defined and referred to below)). HKSCC Nominees acts as a common nominee in respect of securities held through the Central Clearing and Settlement System depository in Hong Kong ("**CCASS**") and takes its instructions from persons admitted to participate in CCASS ("**CCASS Participants**"). It is not known how many entities have beneficial interests in the Shares of the Company registered in HKSCC Nominees' name;

- (d) Certain parties acting in concert with the Joint Offerors in relation to the Company (the "**Joint Offerors Concert Parties**") hold or are beneficially interested in 239,426,000 Shares, comprising approximately 8.80% of the Company's issued Shares;
- (e) The Chen Group, comprising Mr. Chen Xiaodong ("**Mr. Chen**"), the chief executive officer and the executive director of the Company and Honor Mind Holdings Limited, a company wholly owned by Mr. Chen, owns or controls 42,250,000 Shares, representing approximately 1.55% of the Company's issued Shares, all of which are registered in the name of HKSCC Nominees. Mr Chen and Honor Mind Holdings Limited are currently arranging to transfer their respective interests held through HKSCC Nominees into their own name(s); and
- (f) As at 10 February 2017, the remaining 1,617,651 Shares of the Company, representing less than 1% of the Company's issued Shares, are registered in the names of the public.

3.2 The number of Shares of the Company in issue and the ownership of same is likely to fluctuate between the date of this Petition and the date of the sanction of the Scheme as a result of normal trading of the Shares.

4 **Convertible Securities**

- 4.1 As at the date of this Petition, there are 39,149,500 outstanding, vested and unvested, share options (the "**Share Options**") granted by the Company under the share option scheme of the Company approved by the shareholders of the Company on 24 February 2007. The Share Options will be dealt with in accordance with their respective terms of issue and the Code on Takeovers and Mergers in Hong Kong (the "**Takeovers Code**"). The Share Options, as convertible securities, will not form part of the Scheme.
- 4.2 For the holders of the Share Options whose Share Options have not been converted into Scheme Shares (as defined below) or otherwise lapsed or cancelled prior to the Share Options Record Date (being the time and date as shall have been announced

by the Company and notified to the shareholders and holders of Share Options as the record date for determining the entitlements of the holders of unvested Share Options, or vested Share Options in respect of which the underlying Shares have not been registered in the name of the relevant holder, to the Options Offer (as defined below), alongside, but not part of the Scheme, an offer is proposed to be made by or on behalf of the Joint Offerors to the holders of the outstanding Share Options (the "Options Offer").

- 4.3 Other than the Share Options, as at the date of the Petition, there are no other options, derivatives, warrants or other securities issued by the Company that carry a right to subscribe for, or which are convertible into, Shares.

5 Object and Mechanics of the Scheme

- 5.1 The object of the Scheme is for the Company to become wholly owned by the Joint Offerors, Shen Group (excluding Intime International Holdings Limited) and Chen Group, which would be achieved by:
- (a) the Company reducing its share capital by the cancellation and extinguishment of all of its issued Shares other than those issued Shares registered in the name of the Joint Offerors, the Joint Offerors Concert Parties (other than Mr. Joseph C. Tsai, The Libra Capital Greater China Fund Limited, and any member of the CICC group) and the Chen Group (the "Scheme Shares");
 - (b) the Company, forthwith upon the said share capital reduction taking effect, increasing its share capital to its former amount by the issue of the same number of new Shares to the Joint Offerors as the number of Scheme Shares cancelled and extinguished; and
 - (c) the Company applying the credit arising in its books of account as a result of the share capital reduction in paying up in full at par the shares newly issued to the Joint Offerors.

5.2 In consideration for the cancellation and extinguishment of the Scheme Shares, each holder of Scheme Shares ("**Scheme Shareholder**") will receive from the Joint Offerors HK\$10.00 for every Scheme Share held.

5.3 Upon the Scheme being sanctioned, the listing of the Shares of the Company on the HK Stock Exchange will be withdrawn.

6 **Affected Shareholders**

The Scheme affects a single class of shareholders of the Company, being the Scheme Shareholders.

7 **Court Meeting**

7.1 It is intended that a single meeting of Scheme Shareholders be convened for the purpose of allowing such Scheme Shareholders to consider and, if they think fit, approve (with or without modification) the Scheme (the "**Court Meeting**").

7.2 The resolution intended to be submitted at the Court Meeting is:

"THAT this Court Meeting approves, with or without modification, the proposed Scheme of Arrangement, a print of which has been submitted to this Court Meeting and, for the purpose of identification, signed by the Chairman of this Court Meeting."

7.3 It is intended that each Scheme Shareholder (other than HKSCC Nominees) that votes at the Court Meeting, whether in person or by proxy, shall be counted as a single shareholder for the purpose of the calculation of the "majority in number" component of the statutory threshold under section 86(2) of the Companies Law. Each Scheme Shareholder (other than HKSCC Nominees) is entitled to vote either "for" or "against" the Scheme, but not both "for" and "against" the Scheme.

7.4 HKSCC Nominees is entitled to vote shares both "for" and "against" the Scheme and for the purpose of the calculation of the "majority in number" component of the statutory threshold under section 86(2) of the Companies Law, HKSCC Nominees shall be treated as casting one vote for each CCASS Participant that instructs

HKSCC Nominees to vote "for" the Scheme and one vote for each CCASS Participant that instructs HKSCC Nominees to vote "against" the Scheme.

7.5 Certain persons interested in Scheme Shares have agreed not to vote at the Court Meeting because they are, or are deemed to be, "acting in concert" with the Joint Offerors pursuant to the Takeovers Code, which prohibits such "concert parties" from participating in the voting. These "concert parties" are comprised of:

- (a) China International Capital Corporation Hong Kong Securities Limited ("**CICC**"), which is the financial adviser to the Joint Offerors in connection with the Scheme and, for that reason, is presumed to be acting in concert with the Joint Offerors in relation to the Company. Members of the CICC group hold a total of 6,573,000 Shares, representing approximately 0.24% of the Company's issued Shares. However, any member of the CICC group acting in its capacity as a registered owner of Scheme Shares held on behalf of a beneficial owner where the beneficial owner (i) controls the voting rights attaching to those shares; (ii) if shares are voted, gives instructions as to how those shares are to be voted; and (iii) is not the Joint Offerors or one of the Joint Offerors Concert Parties is not considered to be a "concert party" and is entitled to vote at the Court Meeting;
- (b) Alibaba Group Holding Limited and its subsidiaries (the "**Alibaba Group**"). As set out above, Alibaba Group Holding Limited is the parent company of Alibaba Investment Limited, one of the Joint Offerors. At the date of this Petition, the only Shares held by the Alibaba Group are those held by Alibaba Investment Limited as set out above;
- (c) The Shen Group, comprising Mr. Shen Guojun ("**Mr. Shen**"), Shen Family (comprising Ms. Shen Zhiwei (Mr. Shen's daughter), Ms. Shen Junyan (Mr. Shen's sister), Intime International Holding Limited (a company wholly-owned by Mr. Shen and one of the Joint Offerors) Elite Rich Holdings Limited (a company wholly-owned by Ms. Shen Zhiwei), and Elite Sky International Limited (a company wholly-owned by Ms. Shen Junyan)), Fortune Achieve Group Limited, Glory Bless Limited, East Jump Management Limited and Sea

Islands International Co., Ltd., which, excluding Intime International Holding Limited, owns or controls a combined 231,020,000 Shares, representing approximately 8.49% of the Company's issued Shares;

- (d) Mr. Joseph C. Tsai, who owns or controls 8000 Shares, representing approximately 0.0003% of the Company's issued Shares; and
- (e) The Libra Capital Greater China Fund Limited, which owns or controls 1,825,000 Shares, representing approximately 0.07% of the Company's issued Shares.

8 Capital Reduction

8.1 Clause 6 of the Company's Memorandum of Association and Article 69 of the Company's Articles of Association provide the Company may, by special resolution, reduce its share capital in any manner authorised and subject to any conditions prescribed by the Companies Law.

8.2 The Company intends to convene an Extraordinary General Meeting ("EGM") to take place immediately after the meeting of the Court Meeting. The special resolution relating to the capital reduction and ordinary resolution relating to the immediate increase in share capital thereafter intended to be submitted to the EGM are as follows:

"THAT AS A SPECIAL RESOLUTION:

- (A) *the scheme of arrangement dated [] (the "Scheme") between the Company and the holders of Scheme Shares (as defined in the Scheme) in the form of the print thereof which has been produced to this meeting and, for the purpose of identification, signed by the chairman of this meeting, subject to any modifications, additions or conditions as may be approved or imposed by the Grand Court of the Cayman Islands, be and is hereby approved; and*

(B) *for the purpose of giving effect to the Scheme, on the Effective Date, (as defined in the Scheme), the issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares."*

"*THAT AS AN ORDINARY RESOLUTION:*

(C) *subject to and forthwith upon such reduction of capital taking effect, the issued share capital of the Company will be increased to its former amount by issuing to Alibaba Investment Limited and Intime International Holdings Limited the same number of shares as the number of Scheme Shares cancelled and extinguished;*

(D) *the Company shall apply the credit arising in its books of account as a result of the capital reduction referred to in paragraph (B) above in paying up in full at par the new shares issued, credited as fully paid, to Alibaba Investment Limited and Intime International Holdings Limited and the directors of the Company be and are hereby authorised to allot and issue the same accordingly;*

(E) *any one of the directors of the Company be and is hereby authorised to do all acts and things considered by him/her to be necessary or desirable in connection with the implementation of the Scheme, including (without limitation) the giving of consent to any modification of, or addition to, the Scheme, which the Grand Court of the Cayman Islands may see fit to impose; and*

(F) *any one of the directors of the Company be and is hereby authorised to apply to The Stock Exchange of Hong Kong Limited for the withdrawal of the listing of the shares of the Company."*

8.3 The reduction of the Company's share capital intended to be effected by the said special resolution would neither involve the diminution of liability in respect of any unpaid share capital nor the payment to any shareholder of any paid up capital. Such a capital reduction is for a discernible purpose and its terms and effect will be

properly explained to the Company's shareholders a sufficient time prior to the EGM so as to ensure those shareholders are treated equitably.

- 8.4 In the event that the rollover arrangement between the Joint Offerors and the Chen Group under the rollover agreement entered into amongst them on 9 January 2017 (the "**Rollover Agreement**") is approved at the EGM such that the shares of the Chen Group do not form part of the Scheme Shares, the form of minute proposed to be registered with the Cayman Islands Companies Registrar is as follows:

"The issued share capital of Intime Retail (Group) Company Limited was by virtue of a special resolution of the Company dated [] (the "Special Resolution") and with the confirmation of an order of the Grand Court of the Cayman Islands dated [] (the "Order") reduced from US\$27,216.00 divided into 2,721,600,226 shares of US\$0.00001 each to US\$12,780.71 divided into 1,278,070,753 shares of US\$0.00001. An ordinary resolution of the Company dated [] (the "Ordinary Resolution") further provides that subject to and forthwith upon such reduction of capital taking effect, the issued share capital of the Company be increased to its former amount of US\$27,216.00 by the issue of 1,443,529,473 shares of US\$0.00001 each."

By virtue of a Scheme of Arrangement sanctioned by an order of the Grand Court of the Cayman Islands dated [], the Order, the Special Resolution and the Ordinary Resolution, the issued share capital of the Company at the time of the registration of this minute is accordingly US\$27,216.00 divided into 2,721,600,226 shares of US\$0.00001 each."

- 8.5 In the event that the Rollover Agreement is not approved at the EGM such that the Shares of the Chen Group form part of the Scheme Shares, the form of minute proposed to be registered with the Cayman Islands Companies Registrar is as follows:

"The issued share capital of Intime Retail (Group) Company Limited was by virtue of a special resolution of the Company dated [] (the "Special Resolution") and with the confirmation of an order of the Grand Court of the Cayman Islands dated [] (the

"Order") reduced from US\$27,216.00 divided into 2,721,600,226 shares of US\$0.00001 each to US\$12,358.21 divided into 1,235,820,753 shares of US\$0.00001. An ordinary resolution of the Company dated [] (the "Ordinary Resolution") further provides that subject to and forthwith upon such reduction of capital taking effect, the issued share capital of the Company be increased to its former amount of US\$27,216.00 by the issue of 1,485,779,473 shares of US\$0.00001 each."

By virtue of a Scheme of Arrangement sanctioned by an order of the Grand Court of the Cayman Islands dated [], the Order, the Special Resolution and the Ordinary Resolution, the issued share capital of the Company at the time of the registration of this minute is accordingly US\$27,216.00 divided into 2,721,600,226 shares of US\$0.00001 each."

9 Application

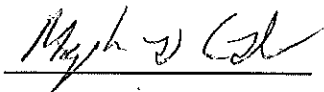
9.1 The Company intends to make an application for, amongst other things, orders and directions:

- (a) that the relevant class of shareholders of the Company affected by the Scheme is that referred to at paragraph 6 above;
- (b) that the Company be at liberty to convene the Court Meeting referred to at paragraph 7.1 above;
- (c) as to the mode of delivery of, amongst other things, an explanatory memorandum and proxy form to, amongst others, the holders of Scheme Shares;
- (d) as to the appointment of a chairman of the Court Meeting, and for directions that the chairman of the Court Meeting should report the result thereof to the Court;
- (e) as to the treatment of Shares held by custodians, clearing houses and other nominees for the purposes of the "majority in number" calculation.

YOUR PETITIONER, THE COMPANY, THEREFORE HUMBLY PRAYS:

- 1 That the Scheme be sanctioned by the Court so as to be binding on the Company and the holders of the Scheme Shares.
- 2 That the reduction of the share capital of the Company proposed to be effected by the special resolution set out at paragraph 8.2 above be confirmed and that the appropriate form of minute, being either that set out at paragraph 8.4 above or that set out paragraph 8.5 above, be approved by the Court; which prayer is to be moved following the EGM only.
- 3 That, to this end, all necessary inquiries may be made and directions may be made and given.
- 4 Such further or other relief as the Court shall see fit.

Dated this 13th day of February 2017



MAPLES AND CALDER

Attorneys-at-Law for the Company

Note: It is not intended that this Petition be served on anyone

ENDORSEMENT

This Petition has been presented to the Grand Court of the Cayman Islands on the day of
2017 and will be heard by the Grand Court of the Cayman Islands on the day of 2017
at a.m. / p.m. in the fore/after noon (or as soon thereafter as the Petition can be heard).