
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for independent advice.

If you have sold or transferred all your shares in Shenzhen Neptunus Interlong Bio-technique Company Limited*, you should at once hand this circular with the accompanying revised form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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深圳市海王英特龍生物技術股份有限公司
SHENZHEN NEPTUNUS INTERLONG BIO-TECHNIQUE COMPANY LIMITED*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8329)

**CONTINUING CONNECTED TRANSACTION
RENEWAL OF NEPTUNUS GROUP SALES FRAMEWORK AGREEMENT
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
REVISED NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



A letter from the Board is set out on pages 5 to 13 of this circular and a letter from Gram Capital is set out on pages 16 to 27 of this circular. A revised notice convening the EGM to be held at 10:00 a.m. on Tuesday, 31 January 2023 at Meeting Room, 24th Floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Nanshan District, Shenzhen, Guangdong Province, the PRC is set out in this circular. A revised form of proxy is also enclosed. The revised form of proxy is also published on the websites of the GEM (www.hkgem.com) and the Company (www.interlong.com).

Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying revised form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 10:00 a.m. on Monday, 30 January 2023) or any adjournment thereof (as the case may be). Completion and return of the revised form of proxy will not preclude you from attending and voting in person if you so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and in the Company's website at www.interlong.com.

References to time and dates in this circular are to Hong Kong time and dates.

* *For identification purpose only*

11 January 2023

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CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

DEFINITIONS

In this circular, the following expressions shall, unless the context otherwise requires, have the following respective meanings:

“2019 Neptunus Group Sales Framework Agreement”	the sales framework agreement dated 14 October 2019 entered into between the Company and Shenzhen Neptunus pursuant to which the Group agreed to sell certain self-manufactured or distributed products including certain pharmaceutical products and healthcare food products to Neptunus Group;
“Articles of Association”	the articles of association of the Company;
“associate”	has the meaning ascribed thereto under the GEM Listing Rules;
“Board”	the board of Directors;
“Company”	深圳市海王英特龍生物技術股份有限公司 (Shenzhen Neptunus Interlong Bio-technique Company Limited*), a joint stock company incorporated in the PRC, whose H shares are listed on the GEM;
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules;
“controlling shareholder”	has the meaning ascribed thereto under the GEM Listing Rules;
“Director(s)”	the director(s) of the Company;
“EGM”	an extraordinary general meeting of the Company to be held to consider and approve by poll, among other things, the New Neptunus Group Sales Framework Agreement, the Proposed Sales Caps and the proposed amendments to the Articles of Association;
“GEM”	the GEM operated by the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;

DEFINITIONS

“Gram Capital” or “Independent Financial Adviser”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the New Neptunus Group Sales Framework Agreement and the transactions contemplated thereunder (including the Proposed Sales Caps);
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Independent Board Committee”	the independent board committee of the Company, comprising all the independent non-executive Directors, to advise the Independent Shareholders as to the fairness and reasonableness of the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps;
“Independent Shareholders”	Shareholder(s) other than Neptunus Bio-engineering and any of its associates;
“Latest Practicable Date”	6 January 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Neptunus Bio-engineering”	深圳市海王生物工程股份有限公司 (Shenzhen Neptunus Bioengineering Company Limited*), a joint stock limited company established under the laws of the PRC whose shares are listed on the Shenzhen Stock Exchange and the controlling shareholder of the Company;
“Neptunus Group”	Shenzhen Neptunus and its subsidiaries, but excluding the Group;
“Neptunus Zhongxin”	北京海王中新藥業股份有限公司 (Beijing Neptunus Zhongxin Pharmaceutical Co., Ltd.*), a subsidiary of the Company;
“New Neptunus Group Sales Framework Agreement”	the sales framework agreement dated 1 December 2022 entered into between the Company and Shenzhen Neptunus pursuant to which the Group agreed to sell certain self-manufactured or distributed products including certain pharmaceutical products, healthcare food products and medical devices to Neptunus Group;
“percentage ratio(s)”	has the meaning ascribed thereto under the GEM Listing Rules;

DEFINITIONS

“PRC”	the People’s Republic of China;
“Products”	certain self-manufactured or distributed products including certain pharmaceutical products, healthcare food products and medical devices contemplated under the New Neptunus Group Sales Framework Agreement;
“Proposed Amendments”	the proposed amendments to the Articles of Association as set out in this circular;
“Proposed Sales Cap(s)”	each of, or collectively, the Proposed 2023 Sales Cap, the Proposed 2024 Sales Cap and the Proposed 2025 Sales Cap;
“Proposed 2023 Sales Cap”	the estimated maximum aggregate sales amount under the New Neptunus Group Sales Framework Agreement for the period from 1 January 2023 to 31 December 2023, as set out under the sub-section headed “Annual Caps” of this circular;
“Proposed 2024 Sales Cap”	the estimated maximum aggregate sales amount under the New Neptunus Group Sales Framework Agreement for the period from 1 January 2024 to 31 December 2024, as set out under the sub-section headed “Annual caps” of this circular;
“Proposed 2025 Sales Cap”	the estimated maximum aggregate sales amount under the New Neptunus Group Sales Framework Agreement for the period from 1 January 2025 to 31 December 2025, as set out under the sub-section headed “Annual caps” of this circular;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended;
“Shareholders”	the holders of the ordinary shares of RMB0.1 each of the Company;
“Shenzhen Neptunus”	深圳海王集團股份有限公司 (Shenzhen Neptunus Group Company Limited*), a joint stock limited company incorporated in the PRC and the controlling shareholder of Neptunus Bio-engineering;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“Transactions”	the transactions contemplated under the New Neptunus Group Sales Framework Agreement;
“VAT”	value added tax; and
“%”	per cent.

Translation of RMB into HK\$ in this circular is based on the exchange rate of HK\$1=RMB0.92. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be converted at such or any other rates or at all.

** For identification purpose only*

LETTER FROM THE BOARD



深圳市海王英特龍生物技術股份有限公司
SHENZHEN NEPTUNUS INTERLONG BIO-TECHNIQUE COMPANY LIMITED*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8329)

Executive Directors:
Mr. Zhang Feng (*Chairman*)
Mr. Huang Jian Bo

Non-executive Directors:
Mr. Zhang Yi Fei
Ms. Yu Lin
Mr. Shen Da Kai
Mr. Jin Rui

Independent Non-executive Directors:
Mr. Yick Wing Fat, Simon
Mr. Poon Ka Yeung
Mr. Zhang Jian Zhou

Registered Office:
Suite 2103, 21st Floor,
Neptunus Yinhe Technology Mansion,
1 Keji Middle 3rd Road,
Yuehai Sub-district,
Nanshan District, Shenzhen,
Guangdong Province,
PRC

Principal Place of Business in Hong Kong:
18th Floor,
United Centre,
95 Queensway,
Admiralty,
Hong Kong

11 January 2023

To the Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTION
RENEWAL OF NEPTUNUS GROUP SALES FRAMEWORK AGREEMENT
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
REVISED NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 1 December 2022 in relation to, among other things, the New Neptunus Group Sales Framework Agreement, the Proposed Sales Caps and the Proposed Amendments.

The purpose of this circular is to provide, inter alia, (a) the Shareholders with further information relating to the New Neptunus Group Sales Framework Agreement; (b) a letter of advice from Gram Capital to the Independent Board Committee and the Independent

* For identification purpose only

LETTER FROM THE BOARD

Shareholders relating to the New Neptunus Group Sales Framework Agreement and the transactions contemplated thereunder (including the Proposed Sales Caps); (c) a letter from the Independent Board Committee to the Independent Shareholders relating to the New Neptunus Group Sales Framework Agreement; and (d) the details of the Proposed Amendments.

BACKGROUND

As the 2019 Neptunus Group Sales Framework Agreement has expired on 31 December 2022, on 1 December 2022 (after trading hours), the Company entered into the New Neptunus Group Sales Framework Agreement with Shenzhen Neptunus such that the Group will continue to sell the Products to Neptunus Group for the period from the date on which the New Neptunus Group Sales Framework Agreement is approved by the Independent Shareholders at the EGM and ending on 31 December 2025 (both days inclusive).

The details of the New Neptunus Group Sales Framework Agreement are as follows:

Date

1 December 2022 (after trading hours)

Parties

- (1) the Company; and
- (2) 深圳海王 (Shenzhen Neptunus*), the controlling shareholder and a connected person of the Company.

SUBJECT MATTER

Pursuant to the New Neptunus Group Sales Framework Agreement, among other things, the Group agreed to sell the Products to Neptunus Group.

TERM

The New Neptunus Group Sales Framework Agreement will become effective from the date on which the New Neptunus Group Sales Framework Agreement is approved by the Independent Shareholders at the EGM and ending on 31 December 2025 (both days inclusive).

PRICING BASIS AND PAYMENT TERMS

Pursuant to the New Neptunus Group Sales Framework Agreement, the prices of the Products shall be determined based on the prevailing market price and after arm's length negotiation between the Group and Neptunus Group, which shall be no more favourable than the prices offered by the Group to independent third parties who have similar transaction quantities and transaction nature.

LETTER FROM THE BOARD

The consideration of the Products shall be settled (a) within sixty (60) days after the issue date of the invoice or the receipt of the Products, whichever is earlier; or (b) within the time limits to be agreed by the Group and Neptunus Group from time to time, provided that the payment terms of the Products shall be no more favourable than those offered by the Group to independent third parties who have similar transaction quantities and transaction nature.

Pricing Principles

In general, the basis of determining the prices of the products to be supplied by the Group under the respective agreement of the continuing connected transactions of the Group will be based on the negotiations between the Group and the Neptunus Group after taking into account (i) the final price according to which the relevant product is sold to hospitals, pharmacies and other institutions (for example, for products that go through the public bidding process, the final price refers to the successful tender price; for products that do not go through the public bidding process, the final price refers to the price that the manufacturer files with the government or the selling price to the hospital from the distributor agreed between the manufacturer and the hospital) or the prevailing market price, (ii) the distribution costs of the relevant members of the Group, and (iii) other major factors including the cost, transaction volume and the market competition.

In determining the prevailing final market selling price for the Products for a particular contract, the Group will evaluate the prices of the Products and the relevant payment terms offered to Neptunus Group against the average price of the Products and relevant payment terms offered to at least two independent third parties of the Group and the market prices of similar products under similar sales terms and conditions charged by market competitors (where available) to ensure that the prices of the products of the Group are competitive and comparable to those being offered to independent third parties.

To ensure that the price of the Products are on normal commercial terms and on terms no less favourable to the Neptunus Group than that available to independent third parties, the Group has in place principles and procedures to conduct regular checks to review and assess whether the Products have been sold in accordance with the terms of the relevant agreement. For details of the principles and procedures, please refer to the paragraph headed "Internal Control Measures" below.

ANNUAL CAPS

The Proposed 2023 Sales Cap, the Proposed 2024 Sales Cap and the Proposed 2025 Sales Cap (all excluding VAT) are RMB110,000,000 (approximately HK\$119,565,217), RMB130,000,000 (approximately HK\$141,304,348) and RMB160,000,000 (approximately HK\$173,913,043), respectively.

Details of the historical figures and historical annual caps under the 2019 Neptunus Group Sales Framework Agreement for the year ended 31 December 2020, for the year ended 31 December 2021 and for the 10 months ended 31 October 2022 are set out in the table below:

LETTER FROM THE BOARD

**Historical figures and historical annual caps
under the 2019 Neptunus Group Sales Framework Agreement
(RMB in '000)**

For the year ended 31 December 2020 (audited)	For the year ended 31 December 2021 (audited)	For the 10 months ended 31 October 2022 (unaudited)
approximately 35,465 (2020 cap: 58,000)	Approximately 68,255 (2021 cap: 80,000)	approximately 45,696 (2022 cap: 110,000)

In arriving at the Proposed Sales Caps, the Directors (including the independent non-executive Directors) have considered the following factors and applied rounding adjustments to the percentage figures below:

- (a) historical transaction amounts under the 2019 Neptunus Group Sales Framework Agreement for the year ended 31 December 2020, for the year ended 31 December 2021 and for the 10 months ended 31 October 2022; and based on the historical transaction amounts between the Neptunus Group and the Group in the fourth quarter of 2020 and 2021, the expectation that the fourth quarter of 2022 will be the peak season for sales of each type of pharmaceutical products and healthcare food products which are the subject matters of the 2019 Neptunus Group Sales Framework Agreement. It is expected that the transaction amounts under the 2019 Neptunus Group Sales Framework Agreement for the year ending on 31 December 2022 will be RMB 80,000,000. As demonstrated above, the sales transactions in 2021 increased by approximately 92.46% compared with 2020, and the sales transactions in 2022 is expected to increase by approximately 17.21% compared with 2021.
- (b) following the acquisition of Neptunus Zhongxin in 2021, the Group has implemented diversified marketing strategies, expanded the marketing team, increased the coverage of distributors network, and further strengthened compliance with regulatory standards of business operation in order to facilitate the stable and high quality development of Neptunus Zhongxin. Starting from 2023, the Group will further integrate its resources, commence its strategic planning and develop new Group-based sales channels to facilitate the development of Neptunus Zhongxin. In addition, the Group understands that the Neptunus Group is considering to transfer the manufacturing and sales of certain types of pharmaceutical products from its subsidiaries to Neptunus Zhongxin. If so, it shall further strengthen the cooperation between the Group and its connected companies and the Group expects the sales amount from the subsidiaries of the Neptunus Group under the New Neptunus Group Sales Framework Agreement will further increase going forward; and
- (c) taking into account of the new type of medical devices products to be supplied by the Group, it is anticipated that the growth rate of the relevant business in 2023, 2024 and 2025 is 40%, 20% and 20% respectively.

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors) are of the view that the Proposed Sales Caps are fair and reasonable and in the interests of the Company and its Shareholders as a whole. If the Proposed Sales Cap is exceeded in the relevant period, the Company will re-comply with the requirements under Chapter 20 of the GEM Listing Rules.

INTERNAL CONTROL MEASURES

In order to ensure that the prices and terms offered to Neptunus Group by the Group are no more favourable than the terms available to independent third parties and to protect the interests of the Company and its Shareholders as a whole, the Group has adopted the following internal control measures regarding the Transactions:

- (i) The Group will monitor the prices of the Products and the relevant payment terms offered to Neptunus Group by evaluating the average price of the Products and relevant payment terms offered to the independent third parties of the Group and the market prices of similar products under similar sales terms and conditions on a quarterly basis. For the evaluation mentioned above, the marketing department of the Group will first collect market price information available in the public domain and during the course of business negotiation. An interdepartmental working team of the Group involving the marketing department, sales department, production department, finance department, technical department and the general manager will then discuss and review the prices of the Products and the relevant payment terms offered to Neptunus Group with consideration of various factors mainly including, on a case-by-case basis, the costs, transaction volume, sales channel and market competition. While it is the Company's practice to review the price of the Products on a quarterly basis, which is in line with the frequency of the Company's publication of financial reports, in the event of market fluctuations, the interdepartmental work team will also convene meetings on an urgent basis.
- (ii) If at any time the relevant departments of the Group discover that in respect of a transaction, the price of a Product offered to the Neptunus Group is lower than that offered by the Group to independent third parties and/or the terms of a Product offered to the Neptunus Group are more favourable than those offered by the Group to independent third parties, such findings shall be reported to the general manager of the Company or the relevant subsidiary of the Group for review. The relevant general manager shall then discuss with one of the Directors to evaluate whether the Group should adjust the selling price of such Product offered to Neptunus Group or amend the relevant terms, with reference to factors such as the corporate background of such customer; its reputation and reliability; and its ability to conduct the transaction in accordance with the terms of the agreement provided by it.
- (iii) The relevant departments of the Group will review the sales prices and payment terms offered in the transactions with Neptunus Group to ensure that all transactions with the Neptunus Group will comply with the terms of the New Neptunus Group Sales Framework Agreement.

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- (iv) The Group's finance department would collect the data of the Transactions on a monthly basis to ensure that each of the Proposed Sales Caps is not exceeded.
- (v) The Group will engage the auditors to conduct an annual review of the Transactions to opine whether the Proposed Sales Caps have been exceeded.
- (vi) The Company's audit committee would review the implementation of all the continuing connected transactions and review the report in relation to all the continuing connected transactions prepared by the management of the Group, in order to evaluate comprehensiveness and effectiveness of the Group's internal control measures on all continuing connected transactions.
- (vii) The independent non-executive Directors would review the implementation of all the continuing connected transactions annually.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE NEW NEPTUNUS GROUP SALES FRAMEWORK AGREEMENT

Neptunus Group is a large enterprise group with its competitive edge in the pharmaceutical industry in the PRC. It has already formed a comprehensive industry chain including research and development, manufacturing of pharmaceutical products and pharmaceutical commercial circulation. In order to lower the price of drugs, the PRC government has put forward a series of reforms on drug policies, such as implementing the "two-invoice system" in public hospitals in the relevant provinces, which would facilitate merger and acquisition and business expansion of the pharmaceutical enterprise groups.

The Board considers that by entering into the New Neptunus Group Sales Framework Agreement, (1) the Group can better respond to the series of reforms put forward by the PRC government on drug policies; (2) the Group can expand the sale of its products and increase its revenue with the help of the competitive scale of the pharmaceutical commercial circulation business of Neptunus Bio-engineering, Neptunus Group's platform advantage of innovative business model, and the brand advantage of "Neptunus"; and (3) the market share of the Group in the pharmaceutical industry can be increased.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no Director has a material interest in the transactions contemplated under the New Neptunus Group Sales Framework Agreement, save and except that (i) the chairman of the Board and executive Director Mr. Zhang Feng is also a director of Shenzhen Neptunus and vice-chairman of the board of directors and president of Neptunus Bio-engineering, (ii) Mr. Zhang Yi Fei, the non-executive Director of the Company, is also a director and executive vice-president of Neptunus Bio-engineering, (iii) Mr. Shen Da Kai, the non-executive Director of the Company, is also a director, vice-president and the chief financial officer of Neptunus Bio-engineering, and (iv) Mr. Jin Rui, the non-executive Directors of the Company, is also a director and vice-president of Neptunus Bio-engineering. In this connection, Mr. Zhang Feng, Mr. Zhang Yi Fei, Mr. Shen Da Kai and Mr. Jin Rui had abstained from voting on the written resolutions of the Board for approving the New Neptunus Group Sales Framework Agreement in accordance with the Articles of Association. Having considered the above, the remaining Directors (including the independent

LETTER FROM THE BOARD

non-executive Directors) take the view that the New Neptunus Group Sales Framework Agreement has been: (i) entered into in the Group's ordinary and usual course of business; and (ii) on normal commercial terms determined on an arm's length basis and on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE GROUP AND NEPTUNUS GROUP

The Group is principally engaged in the research and development, manufacturing and selling of medicines and medical devices, and the purchase and sales of medicines and healthcare food products in the PRC. The medicines being sold by the Group mainly cover several therapeutic areas which are oncology, cardiovascular system, respiratory system, digestive system and mental disorders.

Neptunus Group is a large enterprise group with its competitive edge in the pharmaceutical industry in the PRC. It has already formed a comprehensive industry chain including research and development, manufacturing of pharmaceutical products and pharmaceutical commercial circulation.

IMPLICATIONS OF THE GEM LISTING RULES

As at the Latest Practicable Date, Shenzhen Neptunus is the controlling shareholder of Neptunus Bio-engineering, which is the controlling shareholder of the Company under the GEM Listing Rules. Therefore, Shenzhen Neptunus is an associate of Neptunus Bio-engineering and thus a connected person of the Company under Rule 20.07 of the GEM Listing Rules. Accordingly, the transactions under the New Neptunus Group Sales Framework Agreement constitute continuing connected transactions for the Company as defined under Rules 20.29 of the GEM Listing Rules.

As one or more of the applicable percentage ratio(s) (as defined under the GEM Listing Rules) in respect of the Transactions are more than 5%, such transactions constitute non-exempt continuing connected transactions of the Company. Accordingly, the Transactions are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Neptunus Bio-engineering, which, as at the Latest Practicable Date, held approximately 73.51% of the total issued share capital of the Company, and its associates will abstain from voting at the EGM on the resolutions proposed to consider and approve the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps. Save as disclosed above, none of the Shareholders are required to abstain from voting at the EGM.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to (i) change the registered address of the Company in the PRC and (ii) to align with the core shareholder protection standards set out in Appendix 3 of the GEM Listing Rules, the Board proposes to amend its Articles of Association. The proposed amendments to the Articles of Association are subject to the approval of the Shareholders by way of passing a special resolution at the EGM.

LETTER FROM THE BOARD

The extracts of the Proposed Amendments as compared against the current Articles of Association, are set out in Appendix I to this circular. Shareholders are advised that the Proposed Amendments are written in Chinese. The English version of Appendix I is for reference only as it is not an official translation of its Chinese version. The Chinese version shall prevail in case of discrepancies between the two versions.

The legal advisers to the Company as to Hong Kong laws and the PRC laws have respectively confirmed that the revised Articles of Association complies with the applicable requirements of the GEM Listing Rules including the core shareholder protection standards under Appendix 3 to the GEM Listing Rules as amended under the new listing regime for the PRC issuers effective on 1 January 2022 and do not violate the laws of the PRC. The Company also confirms that there is nothing unusual in the Proposed Amendments from the perspective of a company listed in Hong Kong.

EGM

The EGM will be convened for the Independent Shareholders to consider, and if thought fit, to pass by poll (i) an ordinary resolution to approve the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps; and (ii) a special resolution to approve the Proposed Amendments.

Reference is made to (i) the notice of the EGM dated 12 December 2022 (the “**Original Notice**”), (ii) the form of proxy for the EGM despatched on 13 December 2022 (the “**Original Proxy Form**”) and (iii) the announcement of the Company dated 30 December 2022 in relation to the delay in despatch of circular and change of EGM date (the “**Postponement Announcement**”). Pursuant to the Postponement Announcement, the date of EGM has been changed to 31 January 2023. A revised notice of the EGM is set out in this circular. A revised form of proxy is also enclosed. The revised form of proxy is also published on the GEM website (www.hkgem.com) and the website of the Company (www.interlong.com). Shareholders should note that the revised form of proxy supersedes and replaces the Original Proxy Form and that the Original Proxy Form is void and invalid. **SHAREHOLDERS WHO HAVE SIGNED AND RETURNED THE ORIGINAL PROXY FORM SHOULD COMPLETE AND RETURN THE REVISED FORM OF PROXY IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED THEREIN.** Whether or not you are able to attend the EGM in person, you are requested to complete and return the enclosed revised form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 10:00 a.m. on Monday, 30 January 2023). Completion and return of the revised form of proxy will not preclude you from attending and voting in person if you so wish.

RECOMMENDATION

The New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps

The Company has established an Independent Board Committee comprising three independent non-executive Directors, namely Mr. Yick Wing Fat, Simon, Mr. Poon Ka Yeung and Mr. Zhang Jian Zhou, to consider the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps and to recommend to the Independent Shareholders how to vote in the EGM.

LETTER FROM THE BOARD

Gram Capital has been appointed as the Independent Financial Adviser for the purpose of advising the Independent Board Committee and the Independent Shareholders in relation to the New Neptunus Group Sales Framework Agreement and the transactions contemplated thereunder (including the Proposed Sales Caps). Gram Capital considers that the terms of the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps are fair and reasonable and the entering into the New Neptunus Group Sales Framework Agreement is in the interests of the Company and the Shareholders as a whole. The text of the letter of advice from Gram Capital containing its recommendation is set out on pages 16 to 27 of this circular.

The Independent Board Committee, having taken into account and based on the recommendation of Gram Capital, considers that the New Neptunus Group Sales Framework Agreement has been entered into in the Group's ordinary and usual course of business, and together with the Proposed Sales Caps, are on normal commercial terms and in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps.

PROPOSED AMENDMENTS

The Directors believe that the Proposed Amendments are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant special resolution to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is also drawn to (a) the letter from the Independent Board Committee to the Independent Shareholders; (b) the letter from Gram Capital to the Independent Board Committee and the Independent Shareholders; and (c) the additional information set out in appendix to this circular.

Yours faithfully,
By order of the Board
Shenzhen Neptunus Interlong Bio-technique Company Limited*
Zhang Feng
Chairman

* *for identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



深圳市海王英特龍生物技術股份有限公司
SHENZHEN NEPTUNUS INTERLONG BIO-TECHNIQUE COMPANY LIMITED*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8329)

11 January 2023

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION RENEWAL OF NEPTUNUS GROUP SALES FRAMEWORK AGREEMENT

We refer to the circular dated 11 January 2023 issued by the Company (the “**Circular**”) of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein, unless the context otherwise requires.

We have been appointed as the members of the Independent Board Committee to consider the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps and to advise you as to the fairness and reasonableness of the same. The Independent Financial Adviser, Gram Capital, has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to the letter from the Board, as set out on pages 5 to 13 of the Circular, and the letter from Gram Capital to the Independent Board Committee and the Independent Shareholders which contains its opinion in respect of New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps as set out on pages 16 to 27 of the Circular. After taking into consideration the advice from Gram Capital, we concur with the views of Gram Capital and consider that the New Neptunus Group Sales Framework Agreement has been entered into in the Group's ordinary and usual course of business, and the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps are on normal commercial terms, determined on an arm's length basis and in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned.

* *For identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the New Neptunus Group Sales Framework Agreement and the Proposed Sales Caps.

Yours faithfully
Independent Board Committee

Mr. Yick Wing Fat, Simon
Independent Non-executive Director

Mr. Poon Ka Yeung
Independent Non-executive Director

Mr. Zhang Jian Zhou
Independent Non-executive Director

LETTER FROM GRAM CAPITAL

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transactions for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

11 January 2023

*To: The Independent Board Committee and the Independent Shareholders
of Shenzhen Neptunus Interlong Bio-Technique Company Limited*

Dear Sir/ Madam,

CONTINUING CONNECTED TRANSACTION RENEWAL OF NEPTUNUS GROUP SALES FRAMEWORK AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Transactions, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 11 January 2023 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

As the 2019 Neptunus Group Sales Framework Agreement expired on 31 December 2022, on 1 December 2022 (after trading hours), the Company entered into the New Neptunus Group Sales Framework Agreement with Shenzhen Neptunus such that the Group will continue to sell the Products to Neptunus Group for the period from the date on which the New Neptunus Group Sales Framework Agreement is approved by the Independent Shareholders at the EGM and ending on 31 December 2025 (both days inclusive).

With reference to the Board Letter, the Transactions constitute non-exempt continuing connected transactions of the Company and are subject to the reporting, annual review, announcement and Independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

The Independent Board Committee comprising Mr. Yick Wing Fat, Simon, Mr. Poon Ka Yeung and Mr. Zhang Jian Zhou (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Transactions are on normal commercial terms and are fair and reasonable; (ii) whether the Transactions are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolution to approve the

LETTER FROM GRAM CAPITAL

Transactions at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as independent financial adviser in respect of the continuing connected transactions as contained in the Company's circular dated 30 December 2021. Save for the aforesaid engagement, there was no other services provided by Gram Capital to the Company during the past two years immediately preceding the Latest Practicable Date. Notwithstanding the aforesaid past engagement, as at the Latest Practicable Date, we were not aware of any relationships or interests between Gram Capital and the Company or any other parties that could be reasonably regarded as a hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

Having considered the above and that (i) none of the circumstances as set out under the Rule 17.96 of the GEM Listing Rules existed as at the Latest Practicable Date; and (ii) the aforesaid past engagement was only independent financial adviser engagement and will not affect our independence to act as the Independent Financial Adviser, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 17.92 of the GEM Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in the Circular is accurate and complete in all material respects and

LETTER FROM GRAM CAPITAL

not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement in the Circular or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, Shenzhen Neptunus or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Transactions, we have taken into consideration the following principal factors and reasons:

1. Background of and reasons for the Transactions

Information on the Group

With reference to the Board Letter, the Group is principally engaged in the research and development, manufacturing and selling of medicines and medical devices, and the purchase and sales of medicines and healthcare food products in the PRC. The medicines being sold by the Group mainly cover several therapeutic areas which are oncology, cardiovascular system, respiratory system, digestive system and mental disorders.

Set out below are the Group's consolidated financial information for the nine months ended 30 September 2022 (with comparative figures for previous year) and the two years ended 31 December 2021 as extracted from the Company's quarterly report for the nine months ended 30 September 2022 (the "**2022 Q3 Report**") and the

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Company's annual report for the year ended 31 December 2021 (the "2021 Annual Report"):

	For the year ended 31 December 2021	For the year ended 31 December 2020	Year-on-year change
	(audited)	(audited)	
	<i>RMB'000</i>	<i>RMB'000</i>	%
Revenue	838,805	1,031,369	(18.67)
– <i>Manufacturing and selling of medicines</i>	510,221	441,281	15.62
– <i>Sales and distribution of medicines and healthcare products</i>	328,584	590,088	(44.32)
Gross profit	374,103	574,360	(34.87)
Profit and total comprehensive income for the year	34,306	38,742	(11.45)

As depicted from the above table, the Group's revenue and gross profit were approximately RMB839 million and approximately RMB374 million respectively for the year ended 31 December 2021 ("FY2021"), represented decrease of approximately 18.67% and approximately 34.87% as compared to those for the year ended 31 December 2020 ("FY2020").

The Group's profit and total comprehensive income for FY2021 decreased by approximately 11.45% as compared to that for FY2020. With reference to the 2021 Annual Report, such decrease was mainly due to substantial decrease in gross profit as a result of decrease in revenue and gross profit margin, which was partially offset by substantial decrease in selling and distribution expenses.

	For the nine months ended 30 September 2022	For the nine months ended 30 September 2021	Year-on-year change
	(unaudited)	(unaudited)	
	<i>RMB'000</i>	<i>RMB'000</i>	%
Revenue	689,399	596,776	15.52
– <i>Manufacturing and selling of medicines</i>	485,157	364,313	33.17
– <i>Sales and distribution of medicines and healthcare products</i>	204,242	232,463	(12.14)
Gross profit	304,560	275,364	10.60
Profit and total comprehensive income for the period	34,209	26,661	28.31

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As depicted from the above table, the Group's revenue and gross profit were approximately RMB689 million and approximately RMB305 million respectively for the nine months ended 30 September 2022 ("9M2022"), representing increase of approximately 15.52% and approximately 10.6% respectively as compared to those for the nine months ended 30 September 2021 ("9M2021").

The Group's profit and total comprehensive income for 9M2022 increased by approximately 28.31% as compared to that for 9M2021. With reference to the 2022 Q3 Report, such increase was mainly due to increase in gross profit as partially offset by increase in administrative expenses and other operating expenses.

With reference to 2022 Q3 Report, to ensure stable and healthy development of the Group's business, the Group's pharmaceutical subsidiaries made a series of adjustments in terms of products, pricing, distribution channels and marketing strategies in accordance with the PRC's new reform policies on medical system, such as expanding the sales channels, increasing the coverage of hospital continuously, diversifying marketing patterns, developing direct cooperation with active ingredient manufacturers, striving to source monopolized raw materials through the Group's own resources and others to meet manufacturing needs, sorting out the price system of the products, properly planning of manufacturing activities according to the Group's catalog of key products to fully utilize its capacity in meeting market demand and making timely adjustment to maintain buffer inventory according to market changes to minimize losses.

Information on Neptunus Group

With reference to the Board Letter, Neptunus Group is a large enterprise group with its competitive edge in the pharmaceutical industry in the PRC. It has already formed a comprehensive industry chain including research and development, manufacturing of pharmaceutical products and pharmaceutical commercial circulation.

Reasons for and benefits of the Transactions

With reference to the Board Letter, in order to lower the price of drugs, the PRC government has put forward a series of reforms on drug policies, such as implementing the "two-invoice system" in public hospitals in the relevant provinces, which would facilitate merger and acquisition and business expansion of the pharmaceutical enterprise groups. The Board considers that by entering into the New Neptunus Group Sales Framework Agreement, (1) the Group can better respond to the series of reforms put forward by the PRC government on drug policies; (2) the Group can expand the sale of its products and increase its revenue with the help of the competitive scale of the pharmaceutical commercial circulation business of Neptunus Bio-engineering, Neptunus Group's platform advantage of innovative business model, and the brand advantage of "Neptunus"; and (3) the market share of the Group in the pharmaceutical industry can be increased.

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We also searched over the internet to understand the prospect of the healthcare and pharmaceutical industry:

- With reference to the 《2021年藥品流通行業運行統計分析報告》 (Report on Drug Distribution Industry Operational Statistic & Analysis Report*) published on the website of Ministry of Commerce of the PRC in September 2022, sales volume of the national drug distribution market grew steadily in 2021, and its growth rate gradually returned to the level before COVID-19 pandemic. The report stated that in 2021, (i) sales volume of pharmaceutical retail market was RMB544.9 billion, representing an increase of 7.4% as compared to that for the previous year after excluding incomparable factors; and (ii) sales volume of pharmaceutical wholesale market was RMB2,061.5 billion, representing an increase of 8.65% as compared to that for the previous year after excluding incomparable factors.
- For the purpose of, amongst others, modernizing drug distribution and optimising modern drug distribution system, enhancing drug distribution efficiency and promotion of high-quality development of the pharmaceutical industry, Ministry of Commerce of the PRC issued the 《商務部關於「十四五」時期促進藥品流通行業高質量發展的指導意見》 (Ministry of Commerce directional opinions on enhancing drug distribution industry high-quality development enhancement during “14th Five-year” period*) in October 2021. The opinions directed, amongst others, (i) optimisation of industrial structure; (ii) acceleration on formation of drug distribution network in the rural areas; and (iii) improvement on service capacity of drug distribution in the urban areas.
- With reference to the Seventh National Population Census released by National Bureau of Statistics of China in May 2021, from 2010, the proportion of “population aged 60 and over” to “total population” increased by 5.44 percentage point to 18.70% in 2020. With reference to the data released by World DataBank, life expectancy at birth in the PRC was approximately 77.1 years in 2020 as compared to that of 74.4 years in 2010. Aging population and prolonged life expectancy may drive the demand for drugs and healthcare products.

The above findings indicated a generally positive prospect of the healthcare and pharmaceutical industry.

Having considered the above, we are of the view that the Transactions are conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

LETTER FROM GRAM CAPITAL

2. Principal terms of the Transactions

Date

1 December 2022 (after trading hours)

Parties

- (1) the Company; and
- (2) Shenzhen Neptunus.

Subject matter

Pursuant to the New Neptunus Group Sales Framework Agreement the Group agreed to sell the Products to Neptunus Group.

Term

The New Neptunus Group Sales Framework Agreement will become effective from the day on which it is approved by the Independent Shareholders at the EGM and ending on 31 December 2025 (both days inclusive).

Pricing basis and payment terms

Pursuant to the New Neptunus Group Sales Framework Agreement, the prices of the Products shall be determined based on the prevailing market price and after arm's length negotiation between the Group and Neptunus Group, which shall be no more favourable than the prices offered by the Group to independent third parties who have similar transaction quantities and transaction nature.

The consideration of the Products shall be settled (a) within sixty (60) days after the issue date of the invoice or the receipt of the Products, whichever is earlier; or (b) within the time limits to be agreed by the Group and Neptunus Group from time to time, provided that the payment terms of the Products shall be no more favourable than those offered by the Group to independent third parties who have similar transaction quantities and transaction nature.

For our due diligence purpose, we obtained from the Company lists of contracts in relation to the sale of Products by the Group to Neptunus Group during the period from 1 January 2020 to 31 October 2022 and randomly selected a contract during each of FY2020, FY2021 and the period from 1 January 2022 to 31 October 2022 from the lists (i.e. three contracts in total). In respect of each selected contract, the Company provided us such contract and invoice regarding the sale of Products by the Group to Neptunus Group and a set of corresponding contract and invoice regarding the sale of the same Products by the Group to independent third parties. We noted from such documents that (i) the prices of Products sold by the Group to Neptunus Group were not lower than those sold to independent third parties; and (ii) the payment terms of

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such contracts were in line with the aforesaid settlement term and were the same for Neptunus Group and independent third parties (the “**Observation**”). We consider the above sampling to be fair and representative as it covered FY2020, FY2021 and the period from 1 January 2022 to 31 October 2022 with random selection.

With reference to the 2021 Annual Report and as confirmed by the Directors, the independent non-executive Directors have reviewed the Group’s continuing connected transactions (including the Transactions) for FY2021 and confirmed that the Group’s continuing connected transactions (including the Transactions) for FY2021 were (i) conducted in the ordinary and usual course of business of the Group; and (ii) are on normal commercial terms and on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

With reference to the 2021 Annual Report and as confirmed by the Directors, the Company’s auditor issued a letter to the Board confirming that the Group’s continuing connected transactions (including the Transactions) for FY2021: (i) have received the approval of the Board; (ii) were, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group; (iii) have been entered into in accordance with the relevant agreements governing the transactions; and (iv) did not exceed the respective annual caps.

With reference to the Board Letter, the Group has adopted certain internal control procedures in relation to the Transactions, details of which are set out in the sub-sections headed “INTERNAL CONTROL MEASURES” of the Board Letter. We consider the effective implementation of such internal control measures would help to ensure fair pricing of the Transactions. For our due diligence purpose, we obtained from the Company internal record on (i) price monitoring, evaluation and adjustment for the Products; and (ii) reviewing transactions with Neptunus Group, which indicated implementation of the Group’s internal control procedures. Having also considered the Observation above, we do not doubt the fair pricing of the Transactions. In addition, we also obtained from the Company records of monitoring the historical transaction amount conducted under the 2019 Neptunus Group Sales Framework Agreement (the “**CCT Amount**”) for FY2021. According to the Company’s record, the historical annual cap for FY2021 was not exceeded.

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3. Proposed Sales Caps

Set out below are (i) the historical/existing sales caps for the three years ended 31 December 2022; (ii) the historical CCT Amount for the two years ended 31 December 2021 and the 10 months ended 31 October 2022; and (iii) the Proposed Sales Caps for the three years ending 31 December 2025:

	For the year ended 31 December 2020 RMB	For the year ended 31 December 2021 RMB	For the year ended 31 December 2022 RMB
Historical sales caps (excluding VAT)	58,000,000	80,000,000	110,000,000
Historical CCT Amount (excluding VAT)	35,465,000	68,255,000	45,696,000 <i>(Note)</i>
Utilisation rate (approximately %)	61%	85%	Undetermined
	For the year ending 31 December 2023 RMB	For the year ending 31 December 2024 RMB	For the year ending 31 December 2025 RMB
Proposed Sales Caps (excluding VAT)	110,000,000	130,000,000	160,000,000

Note: the figure was for the ten months ended 31 October 2022

In arriving at the Proposed Sales Caps, the Directors considered the factors and applied rounding adjustments to the percentage figures as set out under the section headed “ANNUAL CAPS” of the Board Letter.

For our due diligence purpose, we obtained calculation of the Proposed Sales Caps and observed the followings from the calculation:

- (i) The expected CCT Amount for the year ended 31 December 2022 (“FY2022”) would be RMB80 million.

Such amount was estimated based on (a) historical CCT Amount between Neptunus Group and the Group in the fourth quarter of 2020 and 2021; and (b) that fourth quarter of 2022 is expected to be the peak season for sales under the 2019 Neptunus Group Sales Framework Agreement.

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For our due diligence purpose, we obtained breakdown of the historical CCT Amount for FY2020 and FY2021 from the Company and noticed that the historical CCT Amount for the fourth quarter represented approximately 35% of the historical CCT Amount for FY2020 and approximately 52% of the historical CCT Amount of FY2021.

Having also considered that the historical CCT Amount for FY2021 increased by approximately 92% as compared to that for FY2020, we do not doubt the expected CCT Amount of RMB80 million for FY2022.

- (ii) Based on the expected CCT Amount of RMB80 million for FY2022 and anticipated growth rate of the CCT Amount of 40% for the year ending 31 December 2023 (“FY2023”), 20% for the year ending 31 December 2024 (“FY2024”) and 20% for the year ending 31 December 2025 (“FY2025”), together with rounding adjustment (i.e. RMB80 million x 140% = approximately RMB110 million; approximately RMB110 million x 120% = approximately RMB130 million; approximately RMB130 million x 120% = approximately RMB160 million), the Proposed Sales Caps for FY2023, FY2024 and FY2025 were set at RMB110 million, RMB130 million and RMB160 million respectively.

As advised by the Directors, the aforesaid growth rates were anticipated with reference to (a) the growth rate of 92% in the historical CCT Amount for FY2021 as compared to that for FY2020; (b) the expected growth rate of approximately 17% in the expected CCT Amount for FY2022 as compared to the historical CCT Amount for FY2021; (c) that following the acquisition of Neptunus Zhongxin in 2021, the Group has implemented diversified marketing strategies, expanded the marketing team, increased the coverage of distributors network, and further strengthened compliance with regulatory standards of business operation in order to facilitate the stable and high quality development of Neptunus Zhongxin. Starting from 2023, the Group will further integrate its resources, commence its strategic planning and develop new Group-based sales channels to facilitate the development of Neptunus Zhongxin. In addition, the Group understands that Neptunus Group is considering to transfer the manufacturing and sales of certain types of pharmaceutical products from its subsidiaries to Neptunus Zhongxin. If so, it shall further strengthen the cooperation between the Group and its connected companies and the Group expects the sales amount from the subsidiaries of the Neptunus Group under the New Neptunus Group Sales Framework Agreement will further increase going forward; and (d) medical devices are newly included in the Products under the New Neptunus Group Sales Framework Agreement.

With reference to the Company’s announcements dated 22 April 2022 and 2 June 2021 and as confirmed by the Directors, (a) Neptunus Zhongxin has decades of experience in developing and manufacturing medicine and is currently a manufacturer of medicine in the PRC; (b) the reason for the Company to acquire 51% equity interest in Neptunus Zhongxin was enabling the Group to strengthen, expand and diversify its business in developing and manufacturing medicines in the PRC; and (c) completion of the aforesaid acquisition took place on 1 June 2021.

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With the aforesaid development of Neptunus Zhongxin, the Company expects Neptunus Zhongxin to conduct the Transactions of approximately RMB57 million, RMB64 million and RMB78 million for FY2023, FY2024 and FY2025 respectively. Based on the financial information provided by the Company, Neptunus Zhongxin generated revenue of approximately RMB101 million for FY2021 and approximately RMB87 million for the ten months ended 31 October 2022. The above expected Transactions amounts are feasible.

In addition, based on the data provided the Company, the Group's sales of medical devices (mainly include prefilled catheter flushers used in hospitals for replacement of manually prepared admixture; and other medical devices used by hospitals and general public) were approximately RMB59 million for FY2020, RMB52 million for FY2021 and RMB63 million for the 10 months ended 31 October 2022 respectively. The Company expects to sell medical devices of approximately RMB10 million, RMB12 million and RMB15 million under the Transactions for FY2023, FY2024 and FY2025 respectively.

Having considered to above, we do not doubt the aforesaid growth rates applied in the calculation of the Proposed Sales Caps.

In light of the above, we consider that the Proposed Sales Caps for the three years ending 31 December 2025 are fair and reasonable.

Shareholders should note that as the Proposed Sales Caps are relating to future events and was estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2025, and it does not represent forecasts of revenue to be generated from the Transactions. Consequently, we express no opinion as to how closely the actual revenue to be generated from the sales of the Transactions will correspond with the Proposed Sales Caps for the three years ending 31 December 2025.

GEM LISTING RULES IMPLICATION

The Directors confirmed that the Company shall comply with the requirements of Rules 20.51 to 20.57 of the GEM Listing Rules pursuant to which (i) the values of the Transactions must be restricted by the Proposed Sales Caps; (ii) the terms of the Transactions must be reviewed by the independent non-executive Directors annually; and (iii) details of independent non-executive Directors' annual review on the terms of the Transactions must be included in the Company's subsequent published annual reports and financial accounts. Furthermore, it is also required by the GEM Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the Transactions (i) has not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the Transactions; and (iv) has exceeded the Proposed Sales Caps. In the event that the total amounts of the Transactions are anticipated to exceeds the Proposed Sales Caps, or that there is any

LETTER FROM GRAM CAPITAL

proposed material amendment to the terms of the Transactions, as confirmed by the Directors, the Company shall comply with the applicable provisions of the GEM Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for continuing connected transactions pursuant to the GEM Listing Rules, we are of the view that there are adequate measures in place to monitor the Transactions and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Transactions are on normal commercial terms and are fair and reasonable; and (ii) the Transactions are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Transactions and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 25 years of experience in investment banking industry.

* *for identification purposes only*

Original Provisions	Proposed Amendments
<p>Article 3 Registered name of the Company: 深圳市海王英特龍生物技術股份有限公司</p> <p>English name of the Company: Shenzhen Neptunus Interlong Bio-technique Company Limited</p> <p>Suite 2103, 21st Floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Yuehai Sub-district, Nanshan District, Shenzhen, Guangdong Province, the PRC, Postal Code: 518057, Tel: 86-755-26411869, Fax: 86-755-86391610.</p>	<p>Article 3 Registered name of the Company: 深圳市海王英特龍生物技術股份有限公司</p> <p>English name of the Company: Shenzhen Neptunus Interlong Bio-technique Company Limited</p> <p>Suite 1702, 17th Floor, Suite 2103, 21st Floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Yuehai Sub-district, Nanshan District, Shenzhen, Guangdong Province, the PRC, Postal Code: 518057, Tel: 86-755-26411869, Fax: 86-755-86391610.</p>
<p>Article 46 Provided that laws, administrative regulations, departmental rules, normative documents and relevant stock exchanges or regulatory authorities at the location where the Company's shares are listed have provisions in relation to the period of suspension of register of shares before the general meeting of shareholders or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.</p>	<p>Article 46 Provided that laws, administrative regulations, departmental rules, normative documents and relevant stock exchanges or regulatory authorities at the location where the Company's shares are listed have provisions in relation to the period of suspension of register of shares before the general meeting of shareholders or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail. <u>The register of members of the Company may be closed in accordance with the equivalent provisions of section 632 of the Companies Ordinance (Chapter 622 of the Hong Kong Laws).</u></p>
<p>Article 52 The Company's shareholders are persons that lawfully hold shares of the Company and whose names (titles) are entered in the register of shareholders.</p> <p>Shareholder shall enjoy rights and have obligations according to the category and number of shares held by them. Holders of shares of the same category shall enjoy equal rights and have equal obligations.</p>	<p>Article 52 The Company's shareholders are persons that lawfully hold shares of the Company and whose names (titles) are entered in the register of shareholders.</p> <p>Shareholder shall enjoy rights and have obligations according to the category and number of shares held by them. Holders of shares of the same category shall enjoy equal rights and have equal obligations.</p>

<p>If there are joint shareholders, and one of the joint shareholders dies, only other persons still alive among the joint shareholders shall be considered by the Company as the persons owning relevant shares. Nevertheless, the Board of Directors shall, for the purpose of revising the register of shareholders, have the right to require the certificate of death considered by the Company as appropriate. As to the joint shareholders of any share, only one of the joint shareholders whose name stands first in the register of shareholders shall have the right to receive the share certificate of relevant shares, receive notices from the Company, attend the general meeting of shareholders or exercise the voting right of relevant shares; any notice sent to such person shall be considered as delivered to all joint shareholders of relevant shares.</p>	<p>If there are joint shareholders, and one of the joint shareholders dies, only other persons still alive among the joint shareholders shall be considered by the Company as the persons owning relevant shares. Nevertheless, the Board of Directors shall, for the purpose of revising the register of shareholders, have the right to require the certificate of death considered by the Company as appropriate. As to the joint shareholders of any share, only one of the joint shareholders whose name stands first in the register of shareholders shall have the right to receive the share certificate of relevant shares, receive notices from the Company, attend the general meeting of shareholders, <u>speak at the general meeting of shareholders</u> or exercise the voting right of relevant shares; any notice sent to such person shall be considered as delivered to all joint shareholders of relevant shares.</p>
<p>Article 53 Holders of Ordinary Shares of the Company shall enjoy the following rights:</p> <ol style="list-style-type: none"> (1) receive dividends and other profit distributions on the basis of the number of shares held by them; (2) participate or to appoint proxies to participate in general meetings shareholders and exercise voting rights; (3) supervise and control the Company’s business activities, and raise suggestions or inquiries; (4) transfer shares in accordance with laws, administrative regulations and the Articles of Association of Company; (5) obtain relevant information in accordance with the Articles of Association of the Company, which shall include: <ol style="list-style-type: none"> (a) obtaining the Articles of Association of the Company after payment of a charge to cover costs; 	<p>Article 53 Holders of Ordinary Shares of the Company shall enjoy the following rights:</p> <ol style="list-style-type: none"> (1) receive dividends and other profit distributions on the basis of the number of shares held by them; (2) participate or to appoint proxies to participate in general meetings <u>of</u> shareholders, <u>speak at the general meeting of shareholders</u> and exercise voting rights; (3) supervise and control the Company’s business activities, and raise suggestions or inquiries; (4) transfer shares in accordance with laws, administrative regulations and the Articles of Association of Company; (5) obtain relevant information in accordance with the Articles of Association of the Company, which shall include: <ol style="list-style-type: none"> (a) obtaining the Articles of Association of the Company after payment of a charge to cover costs;

<p>(b) being entitled to browse and make a copy, after payment of reasonable charges, of:</p> <p>(i) all parts of the register of shareholders;</p> <p>(ii) personal information on the Directors, supervisors, Manager and Other Senior Executives of the Company, including:</p> <p>(A) current and previous names and aliases;</p> <p>(B) main address (residence);</p> <p>(C) nationality;</p> <p>(D) full-time and all other part-time occupations and duties; and</p> <p>(E) identification documents and their numbers.</p> <p>(iii) the status of the Company's share capital;</p> <p>(iv) reports of the aggregate par value, number of shares, and highest and lowest prices of each category of shares repurchased by the Company since the last fiscal year as well as all the expenses paid by the Company therefor; and</p> <p>(v) the minutes of shareholders' general meetings;</p>	<p>(b) being entitled to browse and make a copy, after payment of reasonable charges, of:</p> <p>(i) all parts of the register of shareholders;</p> <p>(ii) personal information on the Directors, supervisors, Manager and Other Senior Executives of the Company, including:</p> <p>(A) current and previous names and aliases;</p> <p>(B) main address (residence);</p> <p>(C) nationality;</p> <p>(D) full-time and all other part-time occupations and duties; and</p> <p>(E) identification documents and their numbers.</p> <p>(iii) the status of the Company's share capital;</p> <p>(iv) reports of the aggregate par value, number of shares, and highest and lowest prices of each category of shares repurchased by the Company since the last fiscal year as well as all the expenses paid by the Company therefor; and</p> <p>(v) the minutes of shareholders' general meetings;</p>
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<p>(6) enjoy the right to know and participate in material issues of the Company stipulated by laws, administrative regulations and the Articles of Association;</p> <p>(7) shareholders shall have the right to protect their legitimate rights and interests through civil procedure or other legal means according to the law and administrative regulations. In the event the resolutions of the general meeting of shareholders and the Board of Directors are in breach of laws and administrative regulations or infringe on legitimate rights and interests of the shareholders, the shareholders shall have the right to initiate litigation to stop such breach or infringement. The Directors, supervisors and Manager of the Company shall bear the liability of compensation in cases where they violate laws, administrative regulations or the Articles of Association and cause damages to the Company during the performance of their duties. Shareholders shall have the right to request the company to sue for such compensation in accordance with law;</p> <p>(8) participate in the distribution of the remaining property of the Company according to their shareholding when the Company is terminated or liquidated; and</p> <p>(9) other rights conferred by laws, administrative regulations and the Articles of Association of the Company.</p> <p>No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the company.</p>	<p>(6) enjoy the right to know and participate in material issues of the Company stipulated by laws, administrative regulations and the Articles of Association;</p> <p>(7) shareholders shall have the right to protect their legitimate rights and interests through civil procedure or other legal means according to the law and administrative regulations. In the event the resolutions of the general meeting of shareholders and the Board of Directors are in breach of laws and administrative regulations or infringe on legitimate rights and interests of the shareholders, the shareholders shall have the right to initiate litigation to stop such breach or infringement. The Directors, supervisors and Manager of the Company shall bear the liability of compensation in cases where they violate laws, administrative regulations or the Articles of Association and cause damages to the Company during the performance of their duties. Shareholders shall have the right to request the company to sue for such compensation in accordance with law;</p> <p>(8) participate in the distribution of the remaining property of the Company according to their shareholding when the Company is terminated or liquidated; and</p> <p>(9) other rights conferred by laws, administrative regulations and the Articles of Association of the Company.</p> <p>No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the company.</p>
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<p>Article 69 General meetings of shareholders shall include annual general meetings and extraordinary general meetings. Annual general meeting shall be convened once a year and shall be held within six months following the preceding fiscal year.</p> <p>The Board of Directors shall convene an extraordinary general meeting within two months of the occurrence of any of the following circumstances:</p> <ol style="list-style-type: none"> (1) the number of Directors is less than the number provided for in the Company Law or less than two-thirds prescribed in the Articles of Association of the Company; (2) the losses of the Company that have not been made up reach one-third of the total share capital of the Company; (3) at the written request of the shareholders separately or aggregately holding 10% or more of the Company's shares; or (4) the Board of Directors considers that there is a need; (5) the board of supervisors proposes a meeting; or (6) more than half of the independent Directors propose a meeting. 	<p>Article 69 General meetings of shareholders shall include annual general meetings and extraordinary general meetings. Annual general meeting shall be convened once <u>every fiscal</u> a-year and shall be held within six months following the preceding fiscal year.</p> <p>The Board of Directors shall convene an extraordinary general meeting within two months of the occurrence of any of the following circumstances:</p> <ol style="list-style-type: none"> (1) the number of Directors is less than the number provided for in the Company Law or less than two-thirds prescribed in the Articles of Association of the Company; (2) the losses of the Company that have not been made up reach one-third of the total share capital of the Company; (3) at the written request of the shareholders separately or aggregately holding 10% or more of the Company's shares; or (4) the Board of Directors considers that there is a need; (5) the board of supervisors proposes a meeting; or (6) more than half of the independent Directors propose a meeting.
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<p>Article 71 Shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit a written provisional motion to the Board 10 days before the convening of the general meeting of shareholders by the Company. The Board shall notify other shareholders within two days after the receipt of the motion and submit the provisional proposal to the general meeting of shareholders for consideration. The contents of the provisional motion shall fall within the functions and powers of general meeting of shareholders with clear discussion topic and specific matters to be resolved.</p> <p>No resolution shall be passed at a general meeting of shareholders on any matter which is not set out in the notice referred to in Articles 70 and Articles 71 herein.</p>	<p>Article 71 Shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit a written provisional motion <u>to be added to the meeting agenda</u> to the Board 10 days before the convening of the general meeting of shareholders by the Company. The Board shall notify other shareholders within two days after the receipt of the motion and submit the provisional proposal to the general meeting of shareholders for consideration. The contents of the provisional motion shall fall within the functions and powers of general meeting of shareholders with clear discussion topic and specific matters to be resolved.</p> <p>No resolution shall be passed at a general meeting of shareholders on any matter which is not set out in the notice referred to in Articles 70 and Articles 71 herein.</p>
<p>Article 74 Shareholder who has proposed a motion disagrees with the decision of the Board of Directors that not to include his motion in the agenda of the general meeting of shareholders, he can propose an extraordinary general meeting in accordance with the procedure specified in the Articles of Association.</p>	<p>Article 74 Shareholder who has proposed a motion <u>pursuant to Article 71 of the Articles of Association</u> disagrees with the decision of the Board of Directors that not to include his motion in the agenda of the general meeting of shareholders, he can propose an extraordinary general meeting in accordance with the procedure specified in the Articles of Association.</p>

Article 79 Any shareholder entitled to attend and vote at a general meeting of shareholders shall have the right to appoint one or more persons (whether such person is a shareholder or not) as his proxies to attend and vote on his behalf. Such proxy may exercise the following rights according to the authorization from that shareholder:

- (1) the shareholder's right to speak at the general meeting of shareholders;
- (2) the right to exercise the voting power by way of poll independently or together with others;
- (3) the right to exercise the voting power by way of show of hands or poll. Nevertheless, when more than one proxy is appointed, such shareholder's proxies can only exercise the voting power by way of poll.

Any shareholder who is a settlement institution or its proxy defined under the Securities and Futures Ordinance (Chapter 571 of the Hong Kong Laws) can authorize one or more persons deemed to be appropriate to act as his representative at any general meeting of shareholders or any meeting of class shareholders. However, when more than one person is authorized, the instrument appointing a proxy shall specify the number and class of shares represented by each of such persons. The persons with such authorization can exercise the rights on behalf of the settlement institution (or its proxy), as if they were a personal shareholder of the Company.

Article 79 Any shareholder entitled to attend and vote at a general meeting of shareholders shall have the right to appoint one or more persons (whether such person is a shareholder or not) as his proxies to attend and vote on his behalf. Such proxy may exercise the following rights according to the authorization from that shareholder:

- (1) the shareholder's right to speak at the general meeting of shareholders;
- (2) the right to exercise the voting power by way of poll independently or together with others;
- (3) the right to exercise the voting power by way of show of hands or poll. Nevertheless, when more than one proxy is appointed, such shareholder's proxies can only exercise the voting power by way of poll.

Any shareholder who is a settlement institution or its proxy defined under the Securities and Futures Ordinance (Chapter 571 of the Hong Kong Laws) can authorize one or more persons deemed to be appropriate **or corporate representative** to act as his representative at any general meeting of shareholders or any meeting of class shareholders **or any meeting of creditors, and these proxies or representatives shall have the same statutory rights as other shareholders, including the right to speak and to vote.** However, when more than one person is authorized, the instrument appointing a proxy shall specify the number and class of shares represented by each of such persons. The persons with such authorization can exercise the rights on behalf of the settlement institution (or its proxy), as if they were a personal shareholder of the Company, **including the right to speak and to vote.**

<p>Article 81 Personal shareholder who attends the meeting in person shall present his identity certificate and shareholding certificate, and the proxy entrusted by the shareholder shall present his identity certificate, the instrument of proxy and shareholding certificate.</p> <p>Where the shareholder is a legal person, its legal representative or the proxy entrusted by its legal representative shall be entitled to attend the meetings. When the legal representative attends the meeting, he shall provide his identity certificate, effective evidence of his qualification as the legal representative and the shareholding certificate; and when the legal representative entrusts a proxy to attend the meeting, the proxy shall show his identity certificate, the instrument of proxy issued by the legal representative of that legal person according to law and the shareholding certificate.</p>	<p>Article 81 Personal shareholder who attends the meeting in person shall present his identity certificate and shareholding certificate, and the proxy entrusted by the shareholder shall present his identity certificate, the instrument of proxy and shareholding certificate.</p> <p>Where the shareholder is a legal person, its legal representative or the proxy entrusted by its legal representative shall be entitled to attend the meetings <u>and, where a corporation is so represented, it shall be treated as being present at any meeting in person.</u> When the legal representative attends the meeting, he shall provide his identity certificate, effective evidence of his qualification as the legal representative and the shareholding certificate; and when the legal representative entrusts a proxy to attend the meeting, the proxy shall show his identity certificate, the instrument of proxy issued by the legal representative of that legal person according to law and the shareholding certificate.</p>
<p>Article 95 The following matters shall be resolved by way of a special resolution of the general meeting of shareholders;</p> <ol style="list-style-type: none"> (1) increase or reduction of the Company's share capital and issuance of any class of shares, warrants or other similar securities; (2) issuance of Company's bonds; (3) division, merger, dissolution and liquidation of the Company; (4) amendment to the Articles of Association of the Company; and (5) other matters that, as resolved by way of an ordinary resolution of the general meeting of shareholders, may have a significant impact on the Company and required to be resolved by way of a special resolution. 	<p>Article 95 The following matters shall be resolved by way of a special resolution of the general meeting of shareholders;</p> <ol style="list-style-type: none"> (1) increase or reduction of the Company's share capital and issuance of any class of shares, warrants or other similar securities; (2) issuance of Company's bonds; (3) division, merger, dissolution, <u>voluntary winding up</u> and liquidation of the Company; (4) amendment to the Articles of Association of the Company; and (5) other matters that, as resolved by way of an ordinary resolution of the general meeting of shareholders, may have a significant impact on the Company and required to be resolved by way of a special resolution.

Article 114 The Directors shall be elected by the general meeting of shareholders each for a term of 3 years and may serve consecutive terms if re-elected upon the expiration of their terms.

The minimum length of the period, during which notice to the Company of the intention to propose a person for election as a Director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least 7 days. The period for lodgment of aforesaid notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

The Chairman of the Board of Directors and the vice-chairman of the Board of Directors shall be elected and removed by more than half of all the Directors. The Chairman of the Board of Directors and the vice-chairman of the Board of Directors shall serve a term of 3 years and may serve consecutive terms if re-elected upon the expiration of their terms.

Subject to compliance with the relevant laws and regulations, the shareholders in general meeting may by ordinary resolution remove any Director (including managing Director and other executive Directors) whose term has not expired (But the right to claim pursuant to any agreements shall be not affected thereby.). However, the general meeting of shareholders shall not recall a Director without due cause prior to the expiration of his tenure.

Article 114 The Directors shall be elected by the general meeting of shareholders each for a term of 3 years and may serve consecutive terms if re-elected upon the expiration of their terms.

The minimum length of the period, during which notice to the Company of the intention to propose a person for election as a Director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least 7 days. The period for lodgment of aforesaid notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

The Chairman of the Board of Directors and the vice-chairman of the Board of Directors shall be elected and removed by more than half of all the Directors. The Chairman of the Board of Directors and the vice-chairman of the Board of Directors shall serve a term of 3 years and may serve consecutive terms if re-elected upon the expiration of their terms.

Subject to compliance with the relevant laws and regulations, the shareholders in general meeting may by ordinary resolution remove any Director (including managing Director and other executive Directors) whose term has not expired (But the right to claim for **damages** pursuant to any agreements shall be not affected thereby.). However, the general meeting of shareholders shall not recall a Director without due cause prior to the expiration of his tenure.

If no re-election is conducted in a timely manner upon the expiration of the terms of Director(s), or the members of the Board of Directors are lower than the quorum due to the resignation of Director(s) whose terms have not expired, the original Director(s) shall still perform their duties as the Directors in accordance with the laws, administrative regulations and the Articles of Association of the Company, before the new Director(s) hold office.

When there is a vacancy on the Board of Directors, the general meeting of shareholders shall elect a new Director. The term of the new Director shall be the remaining term of the Director who is out-of-office, and the new Director shall be eligible for re-election upon the expiration of his term.

When there is a vacancy on the Board of Directors before the general meeting of shareholders convened, the Board of Directors shall appoint one new Director to fill the vacancy. Any Director appointed by the Board of Directors to fill a casual vacancy or as an addition to the existing Board of Directors shall hold office only until the next following annual general meeting and shall then be eligible for re-election. Any Director appointed by the Board of Directors to fill a casual vacancy shall hold office until the first general meeting of the shareholders after his appointment and be subject to re-election at such meeting.

Directors need not to hold any shares of the Company.

If no re-election is conducted in a timely manner upon the expiration of the terms of Director(s), or the members of the Board of Directors are lower than the quorum due to the resignation of Director(s) whose terms have not expired, the original Director(s) shall still perform their duties as the Directors in accordance with the laws, administrative regulations and the Articles of Association of the Company, before the new Director(s) hold office.

When there is a vacancy on the Board of Directors, the general meeting of shareholders shall elect a new Director. The term of the new Director shall be the remaining term of the Director who is out-of-office, and the new Director shall be eligible for re-election upon the expiration of his term.

When there is a vacancy on the Board of Directors before the general meeting of shareholders convened, the Board of Directors shall appoint one new Director to fill the vacancy. **Provided that it does not contravene the relevant laws, regulations and regulatory rules at the location where the Company's shares are listed, any** Any Director appointed by the Board of Directors to fill a casual vacancy or as an addition to the existing Board of Directors shall hold office only until ~~the next following annual general meeting~~ **the first annual general meeting after his appointment** and shall then be eligible for re-election. Any Director appointed by the Board of Directors to fill a casual vacancy shall hold office until the first general meeting of the shareholders after his appointment and be subject to re-election at such meeting.

Directors need not to hold any shares of the Company.

<p>Article 209 The remuneration, or method of remuneration of an accounting firm shall be decided upon by the general meeting of shareholders, and the remuneration of an accounting firm appointed by the Board of Directors shall be determined by the Board of Directors.</p>	<p>Article 209 The remuneration, or method of remuneration of an accounting firm shall be decided upon by the general meeting of shareholders, and the remuneration of an accounting firm appointed by the Board of Directors shall be determined by the Board of Directors.</p>
<p>Article 210 The appointment, removal or non-reappointment of an auditor shall be decided upon by the general meeting of shareholders and be filed with the State Council authorities in charge of securities.</p> <p>Where a resolution at a general meeting of shareholders is passed to appoint as auditor a person other than an incumbent auditor, to fill a casual vacancy in the office of auditor, to reappoint as auditor are tiring auditor who was appointed by the Board of Directors to fill a casual vacancy, or to remove an auditor before the expiration of his term of office, the following provisions shall apply:</p> <p>(1) A copy of the proposal shall be sent before notice of meeting is given to the shareholders to the person proposed to be appointed or the auditor proposing to leave from his post or the auditor who has left from his post. Leaving from his post includes dismissal, resignation and retirement;</p>	<p>Article 210 The appointment, removal or non-reappointment of an auditor shall be decided upon by the general meeting of shareholders and be filed with the State Council authorities in charge of securities. <u>The Board of Directors shall not appoint an accounting firm before the decision by the general meeting of shareholders.</u></p> <p>Where a resolution at a general meeting of shareholders is passed to appoint as auditor a person other than an incumbent auditor, to fill a casual vacancy in the office of auditor, to reappoint as auditor are tiring auditor who was appointed by the Board of Directors to fill a casual vacancy, or to remove an auditor before the expiration of his term of office, the following provisions shall apply:</p> <p>(1) A copy of the proposal shall be sent before notice of meeting is given to the shareholders to the person proposed to be appointed or the auditor proposing to leave from his post or the auditor who has left from his post. Leaving from his post includes dismissal, resignation and retirement;</p>

<p>(2) If the auditor leaving his post makes representations in writing and requests their notification to the shareholders, the Company shall (unless the representations are received too late):</p> <p>(a) in any notice of the resolution given to shareholders, state the fact of the representations having been made; and</p> <p>(b) send a copy of the representations as an appendix to the notice of general meetings to every shareholder entitled to notice of general meetings.</p> <p>(3) If the auditor's representations are not sent under paragraph (2) above the auditor may (in addition to his right to be heard) require that the representations be read out at the meeting and may make further submissions.</p> <p>(4) An auditor who is leaving his post shall be entitled to attend:</p> <p>(a) the general meeting at which his term of office would otherwise have expired;</p> <p>(b) any general meeting at which it is proposed to fill the vacancy caused by his dismissal; and</p> <p>(c) any general meeting convened as a result of his resignation;</p> <p>An auditor who is leaving his post shall also be entitled and to receive all notices of, and other communications relating to, any such meeting, and to be heard at any such meeting which he attends on any part of the business of the meeting which concerns him as former auditor of the Company.</p>	<p>(2) If the auditor leaving his post makes representations in writing and requests their notification to the shareholders, the Company shall (unless the representations are received too late):</p> <p>(a) in any notice of the resolution given to shareholders, state the fact of the representations having been made; and</p> <p>(b) send a copy of the representations as an appendix to the notice of general meetings to every shareholder entitled to notice of general meetings.</p> <p>(3) If the auditor's representations are not sent under paragraph (2) above the auditor may (in addition to his right to be heard) require that the representations be read out at the meeting and may make further submissions.</p> <p>(4) An auditor who is leaving his post shall be entitled to attend:</p> <p>(a) the general meeting at which his term of office would otherwise have expired;</p> <p>(b) any general meeting at which it is proposed to fill the vacancy caused by his dismissal; and</p> <p>(c) any general meeting convened as a result of his resignation;</p> <p>An auditor who is leaving his post shall also be entitled and to receive all notices of, and other communications relating to, any such meeting, and to be heard at any such meeting which he attends on any part of the business of the meeting which concerns him as former auditor of the Company.</p>
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<p>Article 244 The following words and terms shall have the following meaning under the Articles of Association unless otherwise specified in the context:</p> <p>“Articles of Association” or “Articles of Association of the Company” the articles of association of the Company;</p> <p>“Board of Directors” the board of directors of the Company;</p> <p>“Chairman of the Board of Directors” or “Company Chairman” the chairman of the board of directors of the Company;</p> <p>“Director(s)” the Director(s) of the Company;</p> <p>“Ordinary Share(s)” any Domestic Share(s) or Overseas -Listed Foreign Share(s) listed in Hong Kong;</p> <p>“Company Domicile” or “Legal Address of the Company” Suite 2103, 21st Floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Yuehai Sub-district, Nanshan District, Shenzhen, Guangdong Province, the PRC;</p> <p>“RMB” Renminbi, the lawful currency of the PRC;</p> <p>“Board Secretary” the Company’s secretary appointed by the Board of Directors;</p> <p>“PRC” or “State” the people’s republic of China.</p> <p>The term “accounting firm” used in the Articles of Association shall have the same meaning as “auditor”.</p>	<p>Article 244 The following words and terms shall have the following meaning under the Articles of Association unless otherwise specified in the context:</p> <p>“Articles of Association” or “Articles of Association of the Company” the articles of association of the Company;</p> <p>“Board of Directors” the board of directors of the Company;</p> <p>“Chairman of the Board of Directors” or “Company Chairman” the chairman of the board of directors of the Company;</p> <p>“Director(s)” the Director(s) of the Company;</p> <p>“Ordinary Share(s)” any Domestic Share(s) or Overseas -Listed Foreign Share(s) listed in Hong Kong;</p> <p>“Company Domicile” or “Legal Address of the Company” Suite 1702, 17th Floor, Suite 2103, 21st Floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Yuehai Sub-district, Nanshan District, Shenzhen, Guangdong Province, the PRC;</p> <p>“RMB” Renminbi, the lawful currency of the PRC;</p> <p>“Board Secretary” the Company’s secretary appointed by the Board of Directors;</p> <p>“PRC” or “State” the people’s republic of China.</p> <p>The term “accounting firm” used in the Articles of Association shall have the same meaning as “auditor”.</p>
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1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (1) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; and
- (2) there are no other matters the omission of which would make any statement in this circular or this circular misleading.

2. DISCLOSURE OF INTERESTS

A. Interests and short positions of Directors and supervisors and chief executives in the Company

As at the Latest Practicable Date, the interests and short position of the Directors, supervisors and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO including interests and short positions which they were taken or deemed to have under such provisions of the SFO, or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the shares of associated corporations of the Company:

Director/ Supervisor/ Chief Executive	Capacity	Type of interests	Name of associated corporation	Number of shares held in associated corporation	Approximate percentage of the associated corporation's issued share capital
Mr. Zhang Feng (<i>Note (a)</i>)	Beneficial owner	Personal	Neptunus Bio-engineering	1,331,093	0.05%
Ms. Yu Lin (<i>Note (b)</i>)	Beneficial owner	Personal	Neptunus Bio-engineering	900,000	0.03%
Mr. Shen Da Kai (<i>Note (c)</i>)	Beneficial owner	Personal	Neptunus Bio-engineering	1,500,000	0.05%
Ms. Cao Yang (<i>Note (d)</i>)	Beneficial owner	Personal	Neptunus Bio-engineering	200,000	0.01%

Notes:

- (a) Mr. Zhang Feng, chairman of the Board, and deputy chairman and non-independent director of the 9th session of the board of directors and president of Neptunus Bio-engineering, was beneficially interested in approximately 0.05% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling Shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Shenzhen Neptunus Oriental Investment Company Limited ("**Neptunus Oriental**").
- (b) Ms. Yu Lin, non-executive Director, was beneficially interested in approximately 0.03% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Neptunus Oriental.
- (c) Mr. Shen Da Kai, non-executive Director, was beneficially interested in approximately 0.05% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling Shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued share capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Neptunus Oriental.
- (d) Ms. Cao Yang, employee representative supervisor of the Company, was beneficially interested in approximately 0.01% of the entire issued share capital of Neptunus Bio-engineering, the Company's controlling Shareholder, which in turn held directly and indirectly the beneficial interest in approximately 73.51% of the entire issued capital of the Company, of which 70.38% was directly held and 3.13% was indirectly held through Neptunus Oriental.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, supervisors or chief executives of the Company nor their respective associates held any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO, or were required, pursuant to section 352 of the SFO to be and were recorded in the register to be kept by the Company, or were required, pursuant to Rule 5.46 to Rule 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

B. Substantial Shareholders' interests in shares and underlying shares

So far as the Directors and supervisors of the Company are aware, as at the Latest Practicable Date, the interests and/or short positions held by Shareholders (not being a Director, a supervisor or a chief executive of the Company) in shares or underlying shares of the Company which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or had otherwise notified to the Company were as follows:

Long positions in the shares of the Company:

Name of Substantial Shareholder	Capacity	Number of domestic shares held	Approximate percentage of all the domestic shares	Approximate percentage of the Company's issued share capital
Neptunus Bio-engineering (<i>Note (a)</i>)	Beneficial owner	1,181,000,000	94.33%	70.38%
	Interest in controlled corporation	52,464,500	4.19%	3.13%
Shenzhen Neptunus (<i>Note (b)</i>)	Interest in controlled corporation	1,233,464,500	98.52%	73.51%
Shenzhen Neptunus Holding Group Company Limited ("Neptunus Holding") (Previously known as "Shenzhen Yinhetong Investment Company Limited") (<i>Note (c)</i>)	Interest in controlled corporation	1,233,464,500	98.52%	73.51%
Mr. Zhang Si Min (<i>Note (d)</i>)	Interest in controlled corporation	1,233,464,500	98.52%	73.51%

Notes:

- (a) Neptunus Bio-engineering was deemed to be interested in the 52,464,500 domestic shares of the Company held by Neptunus Oriental as the entire issued share capital of Neptunus Oriental was beneficially owned by Neptunus Bio-engineering. Neptunus Bio-engineering was also directly interested in 1,181,000,000 domestic shares of the Company. Therefore, Neptunus Bio-engineering was directly and indirectly interested in 1,233,464,500 domestic shares of the Company.
- (b) Shenzhen Neptunus was deemed to be interested in the 1,233,464,500 domestic shares of the Company, which relate to the same parcel of shares referred to in note (a) above, held by Neptunus Bio-engineering as Shenzhen Neptunus was beneficially interested in approximately 44.22% of the entire issued share capital of Neptunus Bio-engineering.
- (c) Neptunus Holding was deemed to be interested in 1,233,464,500 domestic shares of the Company, which relate to the same parcel of shares referred to in note (a) above, held by Neptunus Bio-engineering as Neptunus Holding was beneficially interested in approximately 59.68% of the entire issued share capital of Shenzhen Neptunus, which in turn was beneficially interested in approximately 44.22% of the entire issued share capital of Neptunus Bio-engineering.

- (d) Mr. Zhang Si Min (“**Mr. Zhang**”) was deemed to be interested in 1,233,464,500 domestic shares of the Company, which relate to the same parcel of shares referred to in note (a) above, held by Neptunus Bio-engineering as Mr. Zhang was beneficially interested in 70% of the entire issued share capital of Neptunus Holding and the entire issued share capital of Shenzhen Haihe Investment and Development Company Limited (“**Haihe**”), which in turn was beneficially interested in approximately 59.68% and 20% of the entire issued share capital of Shenzhen Neptunus respectively. Shenzhen Neptunus was beneficially interested in approximately 44.22% of the entire issued share capital of Neptunus Bio-engineering.

Save as disclosed, the Directors, supervisors and the chief executive of the Company are not aware of any other persons who, as at the Latest Practicable Date, had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

3. MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position or outlook of the Group since 31 December 2021, being the date to which the latest published audited financial statements of the Group were made up.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into, or proposed to enter into any service contract with any member of the Group which may not be terminated by the employer within one year without payment of any compensation (other than statutory compensation).

5. INTERESTS IN COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, controlling Shareholders, management Shareholders or substantial Shareholders of the Company or any of its respective close associates had any interest in a business that competes or might compete, either directly or indirectly, with the business of the Group or had or might have any other conflict of interests with the Group.

6. DIRECTORS’ INTERESTS IN ASSETS OF THE GROUP OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors had any interest in any assets which had been, since 31 December 2021 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to, any member of the Group, or were proposed to be acquired or disposed of by or leased to, any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in contract or arrangement subsisting which was significant in relation to the business of the Group.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this circular or has given opinions or advice, which are contained in this circular:

Name	Qualification
Gram Capital	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, Gram Capital did not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Gram Capital had given and had not withdrawn its consent to the publication of this circular with the inclusion of its letter and all reference to its name in the form and context in which it is included.

As at the Latest Practicable Date, Gram Capital did not have any interest, direct or indirect, in any assets which have been, since 31 December 2021 (being the date to which the latest published audited consolidated financial statements of the Group were made up to), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. DOCUMENT ON DISPLAYS

Copies of the following documents are available on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.interlong.com) for 14 days from the date of this circular (inclusive):

- (a) the New Neptunus Group Sales Framework Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out on pages 14 to 15 of this circular;
- (c) the letter from Gram Capital, the text of which is set out on pages 16 to 27 of this circular; and
- (d) the written consent given by the Independent Financial Adviser as referred to in the paragraph headed “Expert and Consent” of this appendix.

REVISED NOTICE OF EXTRAORDINARY GENERAL MEETING



深圳市海王英特龍生物技術股份有限公司
SHENZHEN NEPTUNUS INTERLONG BIO-TECHNIQUE COMPANY LIMITED*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8329)

REVISED NOTICE OF EXTRAORDINARY GENERAL MEETING

Reference is made to (i) the notice of extraordinary general meeting of 深圳市海王英特龍生物技術股份有限公司 (Shenzhen Neptunus Interlong Bio-technique Company Limited*) (the “**Company**”) dated 12 December 2022 (the “**Original Notice**”) in relation to the New Neptunus Group Sales Framework Agreement (as defined below) and all transactions contemplated thereunder and the proposed amendments to the existing articles of association of the Company, and (ii) the announcement of the Company dated 30 December 2022 in relation to the delay in despatch of circular and change of EGM date (the “**Announcement**”). Pursuant to the Announcement, the date of EGM has been changed to 31 January 2023. Unless defined otherwise herein, capitalized terms used in this notice shall have the same meanings as defined in the Original Notice.

REVISED NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of the Company will be held at 10:00 a.m. on Tuesday, 31 January 2023 at Meeting Room, 24th Floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Nanshan District, Shenzhen, Guangdong Province, the People's Republic of China (the “**PRC**”), for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions.

ORDINARY RESOLUTION

1. “**THAT**

- (a) the form and substance of the sales framework agreement (the “**New Neptunus Group Sales Framework Agreement**”) dated 1 December 2022 entered into between the Company and 深圳海王集團股份有限公司 (Shenzhen Neptunus Group Company Limited*) pursuant to which the Group agreed to sell certain self-manufactured or distributed products including certain pharmaceutical products, healthcare food products and medical devices to 深圳海王集團股份有限公司 (Shenzhen Neptunus Group Company Limited*) and its subsidiaries (but excluding the Group) (a copy of the New Neptunus Group Sales Framework Agreement has been produced to the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose) and all the transactions contemplated thereby be and are hereby approved, confirmed and ratified;

REVISED NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the proposed sales caps under the New Neptunus Group Sales Framework Agreement for each of the three years ending 31 December 2023, 2024 and 2025 be and is hereby confirmed and approved; and
- (c) any one director of the Company (the “**Director**”) be and are hereby authorised to do all such acts and things, negotiate, approve, sign, initial, ratify and/or execute all documents which may in the opinion of the Director may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the New Neptunus Group Sales Framework Agreement or any transactions contemplated thereunder and to agree to such variation, amendments or waiver or matters relating thereto (including any variation, amendments or waiver of such documents, which are not fundamentally different from those as provided under the New Neptunus Group Sales Framework Agreement) as are, in the opinion of the Director, in the interest of the Company and its shareholders as a whole.”

SPECIAL RESOLUTION

2. “**THAT** the proposed amendments to the articles and association of the Company be and are hereby approved.”

Please refer to the Company’s announcement dated 1 December 2022 for details of the New Neptunus Group Sales Framework Agreement and details of the proposed amendments to the articles of association of the Company. In accordance with the requirements under Rule 20.44(1) and Rule 25.34A of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the PRC Company Law, the Company will deliver a circular containing details of the New Neptunus Group Sales Framework Agreement and the transactions contemplated thereunder and the details of the proposed amendments to the articles of association to the Shareholders as soon as possible.

By order of the Board

Shenzhen Neptunus Interlong Bio-technique Company Limited*
Zhang Feng
Chairman

Shenzhen, the PRC, 11 January 2023

Registered office:
Suite 2103, 21st Floor
Neptunus Yinhe Technology Mansion,
1 Keji Middle 3rd Road,
Yuehai Sub-district,
Nanshan District,
Shenzhen,
Guangdong Province,
PRC

Principal place of business in Hong Kong:
18th Floor, United Centre,
95 Queensway,
Admiralty,
Hong Kong

* *for identification purpose only*

REVISED NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) Shareholders should note that a revised form of proxy issued to the shareholders separately supersedes and replaces the form of proxy for the EGM despatched on 13 December 2022 (the “**Original Proxy Form**”) and that the Original Proxy Form is void and invalid. SHAREHOLDERS WHO HAVE SIGNED AND RETURNED THE ORIGINAL PROXY FORM SHOULD COMPLETE AND RETURN THE REVISED FORM OF PROXY IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED THEREIN.
- (2) A shareholder of the Company (the “**Shareholder**”) entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a Shareholder. In the case of joint holders of shares of the Company (the “**Shares**”), any one of such joint holders may sign the revised form of proxy. However, if more than one of such joint holders are present at the EGM, whether personally or by proxy, that one of the joint Shareholders so present whose name stands first in the register of Shareholders in respect of such Shares shall alone be entitled to vote in respect thereof.
- (3) In order to be valid, the revised form of proxy together with a power of attorney or other authority (if any) under which it is signed or the notarised copy of such power of attorney or authority must be lodged, in the case of holders of H shares of the Company (the “**H Shares**”), with the Company’s H share registrar in Hong Kong, Tricor Investor Services Limited (the “**Company’s H Share Registrar**”), at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, and in the case of holders of domestic shares of the Company (the “**Domestic Shares**”), to the registered address of the Company at Suite 2103, 21st Floor, Neptunus Yinhe Technology Mansion, 1 Keji Middle 3rd Road, Yuehai Sub-district, Nanshan District, Shenzhen, Guangdong Province, the PRC no later than 24 hours before the time appointed for the holding of the EGM (i.e. not later than 10:00 a.m. on Monday, 30 January 2023) or any adjournment thereof (as the case may be).
- (4) The Shareholders or their proxies will be required to produce proof of their identities (and a copy of the form of the revised proxy in case of proxies) when attending the EGM.
- (5) To ascertain the Shareholders’ entitlement to attend and vote at the Meeting, the register of Shareholders of the Company will be closed from Tuesday, 10 January 2023 to Tuesday, 31 January 2023, both days inclusive, during which period no transfer of Shares will be effected. As regards holders of H Shares, in order to qualify for attendance at the EGM, all transfers of H Shares accompanied by the relevant share certificates must be lodged with the Company’s H Share Registrar, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Monday, 9 January 2023).
- (6) The EGM is expected to last for no more than a day. The Shareholders or their proxies attending the EGM shall bear their own traveling, accommodation and meal expenses.
- (7) Voting at the EGM will be conducted by way of poll.
- (8) For any enquiries about this notice, please contact the contact person of general meetings, Mr. Huang Jian Bo, at +86 755 2640 1275.
- (9) References to time and dates in this notice are to Hong Kong time and dates.
- (10) Taking into account of the recent development of the epidemic caused by novel coronavirus pneumonia (COVID-19), Shareholders are strongly encouraged not to attend the EGM in person and to vote by way of proxy instead. The Company will implement the following prevention and control measures at the EGM against the epidemic to protect the Shareholders from the risk of infection:
 - Compulsory body temperature check and health declarations will be conducted for every Shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.5 degrees Celsius will not be admitted to the venue;
 - Every Shareholder or proxy is required to wear surgical facial mask throughout the meeting; and
 - No distribution of corporate gifts and no refreshments will be served.

Furthermore, the Company wishes to advise the Shareholders, particularly the Shareholders who are subject to quarantine in relation to COVID-19, that they may appoint any person or the chairman of the EGM as a proxy to vote on the resolutions, instead of attending the EGM in person.

REVISED NOTICE OF EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the executive Directors are Mr. Zhang Feng and Mr. Huang Jian Bo; the non-executive Directors are Mr. Zhang Yi Fei, Ms. Yu Lin, Mr. Shen Da Kai and Mr. Jin Rui; and the independent non-executive Directors are Mr. Yick Wing Fat, Simon, Mr. Poon Ka Yeung and Mr. Zhang Jian Zhou.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this notice is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this notice misleading.

This notice will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from its date of publication and on the Company’s website at www.interlong.com.