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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **BabyTree Group 寶寶樹集團**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1761)

**PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of BabyTree Group 寶寶樹集團 to be held at Taishan Room, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Thursday, 13 June 2019 at 3:00 p.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 3:00 p.m. (Hong Kong time) on Tuesday, 11 June 2019) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (ir.babytree.com).

26 April 2019

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This circular is prepared in both English and Chinese.

In the event of inconsistency, the English text of this circular will prevail.

DEFINITIONS

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

“Adoption Date”	the date on which the Share Option Scheme was conditionally adopted by a resolution of the Shareholders
“Annual General Meeting”	the annual general meeting of the Company to be held at Taishan Room, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Thursday, 13 June 2019 at 3:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 36 to 40 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“Board Lot”	means the board lot in which the Shares are traded on the Stock Exchange from time to time
“Business Day(s)”	any day (excluding Saturday) on which banks in Hong Kong generally are open for business and the Stock Exchange is open for the business of dealing in securities
“Company” or “our Company” or “our”	BabyTree Group (寶實樹集團), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1761)
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company, and for the purpose of the proposed adoption of the Share Option Scheme, the director(s) of the Group
“Employee(s)”	any employee(s) or officer(s) of any member of the Group
“Exercise Price”	the price per Share at which a Grantee may subscribe for the Shares on the exercise of an Option as described in paragraph 8 of Appendix III to this circular
“Grantee”	any Participant who accepts an Offer in accordance with the terms of the Share Option Scheme, or (where the context so permits) any person who is entitled to any Option in consequence of the death of the original Grantee

DEFINITIONS

“Group” or “our Group”	the Company and its subsidiaries and associated companies at the relevant time or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries and associated companies, the present subsidiaries and associated companies of the Company or the businesses operated by its present subsidiaries and associated companies or (as the case may be) its predecessor
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Share Registrar”	the Hong Kong branch share registrar of the Company from time to time
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 17 of the notice of the Annual General Meeting
“Latest Practicable Date”	18 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Listing Date”	27 November 2018, being the date on which dealings in the Shares first commence on the Main Board of the Stock Exchange
“Memorandum”	the memorandum of association of the Company currently in force
“Nomination Committee”	the nomination committee of the Company
“Offer(s)”	the offer(s) of the grant of Share Option(s) made by the Board in accordance with the Share Option Scheme
“Offer Date”	the date on which an Offer(s) is/are made to Participant(s), which date must be a Business Day
“Option(s)” or “Share Option(s)”	a right granted to subscribe for the Shares pursuant to the Share Option Scheme

DEFINITIONS

“Option Period”	a period to be determined and notified by the Board to each Grantee, during which an Option may be exercised (provided that such period shall not be more than 10 years commencing on the Offer Date and expiring on the last day of such period and the Board may also at its discretion impose any restrictions thereon)
“Participant(s)”	any director(s) of the Group (including any Director(s)) or Employee(s) who the Board considers, in its sole discretion, have contributed or will contribute to the Group
“PRC”	the People’s Republic of China
“Remuneration Committee”	the remuneration committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or modified from time to time
“Share(s)”	ordinary share(s) of US\$0.0001 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	registered holder(s) of Share(s)
“Share Option Scheme” or “Scheme”	the share option scheme proposed to be adopted by the Company at the Annual General Meeting pursuant to the ordinary resolution as set out in item 15 of the notice of the Annual General Meeting , a summary of the principal terms of which is set out in the Appendix III to this circular
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 16 of the notice of the Annual General Meeting
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent

LETTER FROM THE BOARD



BabyTree Group

寶寶樹集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1761)

Executive Directors:

Mr. WANG Huainan (*Chairman and
Chief Executive Officer*)

Mr. XU Chong

Registered Office:

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands

Non-executive Directors:

Mr. CHEN Qiyu

Mr. WANG Changying

Mr. MA Jiangwei

Mr. Christian Franz REITERMANN

Mr. JING Jie

*Head Office and Principal Place of
Business in the PRC:*

6th Floor, Building A, Borui Plaza

No. 26 North Road of East Third Ring

Chaoyang District

Beijing

PRC

Independent Non-executive Directors:

Mr. CHEN Guanglei

Ms. CHEN Danxia

Mr. De-chao Michael YU

Mr. ZHANG Hongjiang

*Principal Place of Business
in Hong Kong:*

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

26 April 2019

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Thursday, 13 June 2019 for (a) the re-election of the Directors and the granting of the authority to the Board to fix the Directors' remuneration; (b) the adoption of the Share Option Scheme; (c) the granting to the Directors of the Share Repurchase Mandate and the Issuance Mandate and (d) the giving of notice of the Annual General Meeting.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board comprises Mr. WANG Huainan (Chairman) and Mr. XU Chong as executive Directors; Mr. CHEN Qiyu, Mr. WANG Changying, Mr. MA Jiangwei, Mr. Christian Franz REITERMANN and Mr. JING Jie as non-executive Directors; and Mr. CHEN Guanglei, Ms. CHEN Danxia, Mr. De-chao Michael YU and Mr. ZHANG Hongjiang as independent non-executive Directors.

Pursuant to Article 16.2 of the Articles of Association, Mr. XU Chong, Mr. CHEN Qiyu, Mr. WANG Changying, Mr. Christian Franz REITERMANN and Mr. JING Jie who were appointed on 11 June 2018, Mr. CHEN Guanglei, Ms. CHEN Danxia, Mr. De-chao Michael YU and Mr. ZHANG Hongjiang who were appointed on 27 November 2018, and Mr. MA Jiangwei who was appointed on 7 March 2019, as Directors by the Board shall hold office until the Annual General Meeting and shall be subject to re-election at the Annual General Meeting.

In addition, pursuant to Article 16.19 of the Articles of Association, Mr. WANG Huainan shall retire by rotation at the Annual General Meeting.

All of the above Directors are eligible and will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the above-mentioned Directors including the aforesaid independent non-executive Directors who are due to retire at the Annual General Meeting. On the re-appointment of Mr. CHEN Guanglei, Ms. CHEN Danxia, Mr. De-chao Michael YU and Mr. ZHANG Hongjiang as independent non-executive Directors, the Nomination Committee considered, and the Board shared the same views, that at all times during their period of directorship with the Company, they have properly discharged their duties and responsibilities as independent non-executive Directors and have made positive contribution to the development to the Company through independent, constructive and informed comments and participation at the business and other affairs relating to the Group. In addition, the Company received a confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors. In this regard, the Board is satisfied that Mr. CHEN Guanglei, Ms. CHEN Danxia, Mr. De-chao Michael YU and Mr. ZHANG Hongjiang are persons of integrity and stature and believes that their re-election and continued appointment will allow the Board as well as the Company to continuously benefit from the sharing of their invaluable experience, contribution and participation.

Details of the Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. PROPOSED ADOPTION OF THE SHARE OPTION SCHEME

Before listing, the Group adopted a pre-IPO share option scheme on 18 September 2008 which expired in 10 years from the date of adoption (which was disclosed both on pages 125 and I-64 of the Company's prospectus dated 15 November 2018, which referred to the same and the only pre-IPO share option scheme of the Group). The said pre-IPO share option scheme was not subject to Chapter 17 of the Listing Rules as the Company's share was not listed on the Stock Exchange at the time the pre-IPO share option scheme existed. All the share options under the said pre-IPO share option scheme had been granted before the Company's listing, and therefore no more share options will be granted after the Company's listing. Furthermore, all the granted share options have been exercised prior to the Company's listing, and thus the Company will not issue any new Share under the said share option scheme. As of the Listing Date, there was no outstanding share incentive scheme of the Group.

The Board proposes to adopt the Share Option Scheme to attract, retain and motivate talented employees to strive towards long term performance targets set by the Group and to provide them with an incentive to work better for the interest of the Group.

The Board shall be entitled at any time during the life of the Scheme to make an Offer to any Participant as the Board may in its absolute discretion select to take up Options entitling him or her to subscribe for such number of Shares as the Board may determine at the Exercise Price. Subject to the provisions of the Listing Rules, Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise (e.g. by linking their exercise to the attainment or performance of milestones by any member of the Group, the Grantee or any group of Participants) as the Board may determine, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the Scheme. It is expected that the Scheme will link the value of the Company with the interests of the Participants, enabling the Participants and the Company to develop together and promote the Company's corporate culture.

The total number of Shares which may be issued upon exercise of Options to be granted under the Share Option Scheme and any other share option schemes adopted by the Company shall not exceed 3% of total Shares in issue on the Adoption Date. As at the Latest Practicable Date, there were 1,688,488,109 Shares in issue. Assuming that there are no further allotment of Shares from the Latest Practicable Date up to the Adoption Date, Options to subscribe for up to 50,654,643 Shares may be granted under the Share Option Scheme and any other schemes of the Company, representing 3% of the Shares in issue as at the Adoption Date.

The Directors consider that it is not appropriate to state the value of all the Options that can be granted as if they had been granted as at the Latest Practicable Date prior to the Adoption Date given that the variables which are crucial for the calculation of the value of such Options cannot be determined. These variables include, but not limited to, the subscription price payable for the Shares upon the exercise of subscription rights attaching to the Options, the length of the Option Period, any lock-up period, performance targets or other conditions, restrictions or limitations that the Board may impose with respect to the Options. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

LETTER FROM THE BOARD

None of the Directors is and will be trustee of the Share Option Scheme or has a direct or indirect interest in the trustee. With respect to the operation of the Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules, especially where any related matters are required to be approved by the Shareholders/independent non-executive Directors separately. As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the proposed adoption of the Share Option Scheme and no Shareholder is required to abstain from voting at the Annual General Meeting for approving the Share Option Scheme.

A summary of the principal terms of the Share Option Scheme is set out in Appendix III to this circular. A copy of the Share Option Scheme will be available for inspection at the Company's principal place of business in Hong Kong at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for a period of 14 days before the date of the Annual General Meeting, and at the Annual General Meeting.

4. CONDITIONS PRECEDENT OF THE SHARE OPTION SCHEME

The adoption of the Share Option Scheme is conditional upon:

- (i) the passing of the relevant ordinary resolution by the Shareholders at the Annual General Meeting to approve and adopt the Share Option Scheme, and to authorise the Directors to grant Options to subscribe for Shares and to allot, issue and deal with Shares pursuant to the exercise of any Option granted under the Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares which may be issued pursuant to the exercise of Options under the Share Option Scheme.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options up to 3% of the Shares in issue as at the Adoption Date.

5. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

Pursuant to the written resolutions passed by all Shareholders on 1 November 2018, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 16 of the notice of the Annual General Meeting (i.e. a total of 168,848,810 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting).

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

LETTER FROM THE BOARD

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

6. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

Pursuant to the written resolutions passed by all Shareholders on 1 November 2018, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 17 of the notice of the Annual General Meeting (i.e. a total of 337,697,621 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any Shares pursuant to the Issuance Mandate.

7. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 36 to 40 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll where the chairman in good faith, decides to allow a resolution purely relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules. None of the Shareholders is required to abstain from voting on any resolutions to be proposed at the Annual General Meeting pursuant to the Listing Rules and/or the Articles of Association.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (ir.babytree.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 3:00 p.m. (Hong Kong time) on Tuesday, 11 June 2019) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

LETTER FROM THE BOARD

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 circular 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 circular misleading.

Your attention is drawn to the additional information set out in the appendices to this circular.

9. RECOMMENDATION

The Directors consider that the proposed re-election of Directors, the proposed adoption of the Share Option Scheme and granting of the Share Repurchase Mandate and Issuance Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
BabyTree Group
寶寶樹集團
WANG Huainan
Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

- (1) **Mr. WANG Huainan** (王懷南), aged 53, was appointed as a Director on 9 February 2018 and was re-designated as an executive Director and Chairman of the Board on 11 June 2018. He was also appointed as the chairman of our Nomination Committee and a member of our Remuneration Committee on 27 November 2018. He has been the Chief Executive Officer of our Group since January 2007. Mr. Wang currently serves as director in a number of companies in which our Company has equity interests, including certain subsidiaries of our Company. Mr. Wang founded our Group in January 2007 and has been the key driver of our business strategies and achievements to date. Mr. Wang is primarily responsible for strategic development, overall operation and management and major decision-making.

Prior to founding the Group, Mr. Wang had many years of experience in the fields of marketing and administrative management. From 1996 to 2001, he served as a brand manager at The Procter & Gamble Company (a company listed on New York Stock Exchange, ticker symbol: PG), where he was primarily responsible for brand building, promotion and marketing. From 2001 to 2005, he served as a senior marketing director at Yahoo! Inc. (a company formerly listed on NASDAQ, ticker symbol: YHOO) and as the chief executive officer at 1pai.com.cn (一拍網), a joint venture established by Yahoo! Inc. and SINA Corp. From 2005 to 2006, he served as the chief marketing officer, Asia at Google LLC.

Mr. Wang was awarded as “Top Ten Marketing Figures in 2015” by Nanfang Metropolis Daily (南方都市報) in December 2015, “Entrepreneur of the Year” by iheima.com (i 黑馬網) in December 2016 and “Industry Brand Leader (行業品牌領軍人物)” by Asiabrand (亞洲品牌峰會) in December 2017.

Mr. Wang graduated from Tsinghua University with a bachelor’s degree in English in July 1988. He also obtained a master’s degree in sociology from Columbia University in October 1989 and a master’s degree in business administration from Georgetown University in July 1996.

As at the Latest Practicable Date, Mr. Wang had interest of 497,708,933 Shares within the meaning of Part XV of the SFO, comprising 370,096,250 Shares held by Wang Family Limited Partnership (which is set up by him and his wife, Ms. Tang Yu) and 127,612,683 Shares in which he is deemed to be interested pursuant to voting agreement entered with certain shareholders. The general partner of Wang Family Limited Partnership is Golden Leaf Cayman Holdings Limited, a wholly-owned subsidiary of Golden Leaf Holdings Limited which is in turn wholly-owned by Mr. Wang. In addition, Mr. Wang is the founder and trustee of Allen Wang Grantor Retained Annuity Trust, a limited partner of Wang Family Limited Partnership as to 39.99%. Accordingly, Mr. Wang is deemed to be interested in the Shares held by Wang Family Limited Partnership under the SFO.

Pursuant to the voting agreements dated 10 September 2018 entered into by each of Tenzing Holdings 2011, Ltd., Jumei International and Bin Jiang (Hong Kong) Limited with Mr. Wang, respectively, Mr. Wang as an attorney has the right to vote over all the Shares held by each of them.

As at the Latest Practicable Date, Mr. Wang directly held approximately 79.66% equity interest in Beijing Zhongming Century Science and Technology Co., Ltd. (“**Zhongming**”) (an associated association of the Company). As he also is the general partner of Ningbo Baoshu Investment and Management LLP (“**Ningbo Baoshu**”), he is therefore deemed to be interested in the 0.47% equity interest held by Ningbo Baoshu in Zhongming under the SFO.

Save as disclosed above, Mr. Wang does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Wang has executed a service contract as an executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the service contract shall continue unless and until terminated by either party giving to the other not less than three months’ prior notice in writing. Mr. Wang is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company’s Articles of Association. Pursuant to his service contract, the emoluments that Mr. Wang is entitled to receive for acting as an executive Director shall be included in the emoluments paid by Zhongming. The emoluments of Mr. Wang are determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company’s performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition. For the year ended 31 December 2018, the emoluments including salaries, allowance, discretionary bonus, defined contribution retirement plans, and other benefit in kind paid to Mr. Wang amounted to approximately RMB2,857,000.

Save as disclosed above, there is no other information of Mr. Wang that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (2) **Mr. XU Chong** (徐翀), aged 43, was appointed as an executive Director on 11 June 2018. He was also appointed as a member of the Remuneration Committee on 27 November 2018. He joined the Group as the chief financial officer in October 2014. Mr. Xu currently serves as director in a number of companies in which our Company has equity interests, including certain subsidiaries of our Company. Mr. Xu is primarily responsible for strategic development, financial operations management and capital operations.

Mr. Xu has more than 17 years of experience in corporate finance and financial management. He served as a manager at BOC International Holdings Limited from July 2001 to August 2003, the chief financial officer at SinoMedia Holding Limited (a company listed on the Stock Exchange, stock code: 0623) from June 2004 to February 2006 and a vice president of Asia region at Cazenove Capital Management Limited from March 2006 to July 2007, where he was primarily responsible for corporate finance. He re-joined SinoMedia Holding Limited in July 2007 and served as the chief financial officer until May 2010. Mr. Xu served as the chief financial officer

and vice president at Huakang Insurance Brokerage Company Limited (華康保險代理有限公司) from March 2011 to July 2011. He worked as a financial advisor and then the chief financial officer at Shanghai Zhaogangwang Information Technology Corporation Limited (上海找鋼網信息科技股份有限公司) from June 2012 to June 2014.

Mr. Xu obtained a bachelor's degree in laws from Nanjing University in July 1998 and a master's degree in laws from Renmin University of China in July 2001.

As at the Latest Practicable Date, Mr. Xu beneficially owned 416,000 Shares, representing approximately 0.02% of the total issued share capital of the Company.

As at the Latest Practicable Date, Mr. Xu was deemed to be interested in 2.53% equity interest in Zhongming (an associated corporation of the Company) within the meaning of Part XV of the SFO. Mr. Xu was the general partner of Ningbo Zhishan Zhizhen Investment and Management LLP ("**Ningbo Zhishan**"), Ningbo Honghu Investment and Management LLP ("**Ningbo Honghu**") and Ningbo Yimengweima Enterprise Management Center LLP ("**Ningbo Yimengweima**"), which held equity interest in Zhongming as to approximately 1.76%, 0.47% and 0.30%, respectively. Mr. Xu is therefore deemed to be interested in such equity interest held by Ningbo Zhishan, Ningbo Honghu and Ningbo Yimengweima respectively under the SFO.

Save as disclosed above, Mr. Xu does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Xu has executed a service contract as an executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the service contract shall continue unless and until terminated by either party giving to the other not less than three months' prior notice in writing. Mr. Xu is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company's Articles of Association. Pursuant to his service contract, the emoluments that Mr. Xu is entitled to receive for acting as an executive director shall be included in the emoluments paid by Zhongming. The emoluments of Mr. Xu are determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition. For the year ended 31 December 2018, the emoluments including salaries, allowance, discretionary bonus, defined contribution retirement plans, and other benefit in kind paid to Mr. Xu amounted to approximately RMB1,844,000.

Save as disclosed above, there is no other information of Mr. Xu that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (3) **Mr. CHEN Qiyu** (陳啟宇), aged 46, was appointed as a non-executive Director on 11 June 2018, primarily responsible for participating in formulating the Company's corporate and business strategies. He has been a director of Zhongming since January 2017.

Mr. Chen joined Fosun in 1994 and currently serves as an executive director and co-president of Fosun International Limited (復星國際有限公司) (a company listed on the Stock Exchange, stock code: 0656). He has also been an executive director and chairman of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (上海復星醫藥(集團)股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600196, and the Stock Exchange, stock code: 2196), a non-executive director and vice chairman of Sinopharm Group Co., Ltd. (國藥控股股份有限公司) (a company listed on the Stock Exchange, stock code: 1099) and a director of Beijing Sanyuan Foods Co., Ltd. (北京三元食品股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600429). Mr. Chen also served as a director of Maxigen Biotech Inc. (和康生物科技股份有限公司) (a company listed on the Taiwan Stock Exchange, stock code: 1783) from December 2015 to November 2017 and a director of Dian Diagnostics Group Co., Ltd. (迪安診斷技術集團股份有限公司) (a company listed on the Growth Enterprise Market Board of the Shenzhen Stock Exchange, stock code: 300244) from May 2010 to February 2019.

Mr. Chen has been a member of the 13th Shanghai Standing Committee of the Chinese People's Political Consultative Conference, the chairman of China Medical Pharmaceutical Material Association (中國醫藥物資協會), a vice president of China Pharmaceutical Innovation and Research Development Association (中國醫藥創新促進會), the chairman of Shanghai Biopharmaceutical Industry Association (上海市生物醫藥行業協會) and vice council chairman of Shanghai Society of Genetics (上海市遺傳學會). Mr. Chen was a member of the 12th Shanghai Committee of the Chinese People's Political Consultative Conference.

Mr. Chen received a bachelor's degree in genetics from Fudan University in July 1993 and an executive master of business administration degree from China Europe International Business School (中歐國際工商學院) in September 2005.

As at the Latest Practicable Date, Mr. Chen did not have any interest in shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chen does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Chen has executed an appointment letter as a non-executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the appointment letter shall continue unless and until terminated by either party giving to the other not less than one month's prior notice in writing. Mr. Chen is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company's Articles of Association. The Company will not pay any remuneration to Mr. Chen during his appointment as a non-executive Director but he will be reimbursed for all reasonable out-of-pocket expenses incurred in discharging his duties.

Save as disclosed above, there is no other information of Mr. Chen that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (4) **Mr. WANG Changying (王長穎)**, aged 45, was appointed as a non-executive Director on 11 June 2018, primarily responsible for participating in formulating the Company's corporate and business strategies. He has been a director of Zhongming since January 2017.

Mr. Wang has been a vice president of healthcare holdings department since May 2016, a senior assistant president since March 2018 and the chairman of maternal infant and family group since September 2018, at Shanghai Fosun High Technology (Group) Co., Ltd. (上海復星高科技(集團)有限公司). Mr. Wang is currently a director of Shenzhen Megmeet Electrical Co., Ltd. (深圳麥格米特電氣股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002851), Shenyang Tian An Technology Co., Ltd. (瀋陽天安科技股份有限公司) (a company listed on The National Equities Exchange And Quotations Co., Ltd., stock code: 834661) and Jiangsu Jingang Culture & Technology Group Co., Ltd. (江蘇金剛文化科技集團股份有限公司) (a company listed on The National Equities Exchange And Quotations Co., Ltd., stock code: 836707), and the vice chairman of Baihejiayuan Network Group Co., Ltd. (百合佳緣網絡集團股份有限公司) (a company listed on The National Equities Exchange And Quotations Co., Ltd., stock code: 834214). From 8 May 2017 to 16 November 2018, Mr. Wang was a director of Juewei Food Co., Ltd. (絕味食品股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 603517). Mr. Wang was also a director of Dongzhu Ecological Environment Protection Co., Ltd. (東珠生態環保股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 603359, which is previously known as Jiangsu Dongzhu Landscape Co., Ltd. (江蘇東珠景觀股份有限公司)) from May 2012 to April 2018.

In addition, Mr. Wang currently holds directorships in several companies including Shandong Taihe Water Treatment Technologies Co., Ltd. (山東泰和水處理科技股份有限公司) since October 2012, Dianwang (Cayman) Inc. since October 2016, Wuhan Huakang Century Cleanroom Technology Engineering Co., Ltd. (武漢華康世紀潔淨室技術工程有限公司) since February 2017, Yangtuo Technology Inc. since February 2017 and Shanghai Qinmiao Technology Co., Ltd. (上海親苗科技有限公司) since July 2018. Since September 2011, he has been the director and general manager of Xizang Fosun Venture Capital Co., Ltd. (西藏復星投資管理有限公司). Since February 2018, he has been the manager of Ningbo Meishan Bonded Port Xingbao Investment Management Co., Ltd. (寧波梅山保稅港區星寶投資管理有限公司). Since March 2018, he has been the effective controller and director of Wingnou Investments Limited.

Mr. Wang received a bachelor's degree in economic information management from China Institute of Finance (中國金融學院) (which merged with University of International Business and Economics (對外經濟貿易大學) in 2000) in July 1994 and a master's degree in finance from Liaoning University in June 1999.

As at the Latest Practicable Date, Mr. Wang was deemed to be interested in 550,943 Shares held by his controlled corporation, Wingnou Investments Limited. He also directly held approximately 0.04% equity interest in Zhongming (an associated association of the Company) within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wang does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Wang has executed an appointment letter as a non-executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the appointment letter shall continue unless and until terminated by either party giving to the other not less than one month's prior notice in writing. Mr. Wang is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company's Articles of Association. The Company will not pay any remuneration to Mr. Wang during his appointment as a non-executive Director but he will be reimbursed for all reasonable out-of-pocket expenses incurred in discharging his duties.

Save as disclosed above, there is no other information of Mr. Wang that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (5) **Mr. MA Jiangwei** (馬江偉), aged 37, was appointed as a non-executive Director on 7 March 2019, primarily responsible for participating in formulating the Company's corporate and business strategies.

Mr. Ma joined TAL Education Group ("TAL"), a company listed on the New York Stock Exchange (ticker symbol: TAL) and a Shareholder of the Company within the meaning under Part XV of the SFO, in 2008 and has served various positions in TAL. He is currently the general manager of strategic investment department of TAL.

Mr. Ma obtained a bachelor's degree in engineering from Beijing Jiaotong University in July 2004 and a master's degree in engineering from Beijing Jiaotong University in July 2008.

As at the Latest Practicable Date, Mr. Ma did not have any interest in shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ma does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Ma has executed an appointment letter as a non-executive Director with the Company for a term of three years commencing from 7 March 2019 and the appointment letter shall continue unless and until terminated by either party giving to the other not less than one month's prior notice in writing. Mr. Ma is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company's Articles of Association. The Company will not pay any remuneration to Mr. Ma during his appointment as a non-executive Director but he will be reimbursed for all reasonable out-of-pocket expenses incurred in discharging his duties.

Save as disclosed above, there is no other information of Mr. Ma that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (6) **Mr. Christian Franz REITERMANN**, aged 49, was appointed as a non-executive Director on 11 June 2018, primarily responsible for participating in formulating the Company's corporate and business strategies.

Mr. Reitermann joined The Ogilvy Group in Taipei in January 1997 and has been the chief executive officer (China) since August 2014 and the chief executive, Asia and greater China since May 2016. He has also been a global client leader of WPP plc (a company listed on the London Stock Exchange, ticker symbol: WPP, and on NASDAQ, ticker symbol: WPP) since 2017, where he is primarily responsible for management of global client relationships.

Mr. Reitermann received his bachelor's degree in Business Administration from Ludwigshafen University of Applied Sciences in 27 January 1997 in Germany.

As at the Latest Practicable Date, Mr. Reitermann did not have any interest in shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Reitermann does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Reitermann has executed an appointment letter as a non-executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the appointment letter shall continue unless and until terminated by either party giving to the other not less than one month's prior notice in writing. Mr. Reitermann is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company's Articles of Association. Pursuant to his appointment letter with the Company. Mr. Reitermann is entitled to receive an annual director fee of RMB300,000. For the year ended 31 December 2018, a director's fee paid to Mr. Reitermann amounted to RMB25,000.

Save as disclosed above, there is no other information of Mr. Reitermann that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (7) **Mr. JING Jie** (靖捷), aged 44, was appointed as a non-executive Director on 11 June 2018, primarily responsible for participating in formulating the Company's corporate and business strategies.

Mr. Jing worked at the marketing department of Procter & Gamble (Guangzhou) Ltd. (廣州寶潔有限公司), which is a member of the Procter & Gamble (a company listed on New York Stock Exchange, ticker symbol: PG), from July 1998 to August 2012, primarily responsible for the brand operation in Greater China. From September 2012 to June 2015, he worked at China Food Products Marketing Co., Ltd. (中糧食品營銷有限公司). Mr. Jing has served as the vice president at Alibaba Group Holding Limited (a company listed on New York Stock Exchange, ticker symbol: BABA) since July 2015. Mr. Jing also served as the president of Tmall (天貓) who was primarily responsible for management and operation of Tmall.

Mr. Jing obtained his bachelor's degree and his master's degree in computer software from Nanjing University in July 1995 and June 1998, respectively.

As at the Latest Practicable Date, Mr. Jing did not have any interest in shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Jing does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Jing has executed an appointment letter as a non-executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the appointment letter shall continue unless and until terminated by either party giving to the other not less than one month's prior notice in writing. Mr. Jing is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company's Articles of Association. The Company will not pay any remuneration to Mr. Jing during his appointment as a non-executive Director but he will be reimbursed for all reasonable out-of-pocket expenses incurred in discharging his duties.

Save as disclosed above, there is no other information of Mr. Jing that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (8) **Mr. CHEN Guanglei** (陳廣壘), aged 49, was appointed as an independent non-executive Director, the chairman of the Audit Committee and a member of the Remuneration Committee on 27 November 2018, primarily responsible for supervising and providing independent judgment to the Board.

From 1992 to 2001, Mr. Chen worked at Pingdingshan sub-branch and Henan branch of China Construction Bank, where he was primarily responsible for accounting and auditing. From January 2005 to August 2005, Mr. Chen worked at the finance department of Financial Street Holdings Co., Ltd. (金融街控股股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 000402) and the head of finance department at Financial Street Huizhou Properties Co., Ltd. (金融街惠州置業有限公司). From April 2008 to May 2011, Mr. Chen worked as the financial controller at Zhongjin Gold Corporation Limited (中金黃金股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600489). Mr. Chen worked as the deputy chief accountant from May 2011 to July 2012 and then as the chief economist from July 2012 to November 2017 at Beijing Financial Street Investment Group Co., Ltd. (北京金融街投資(集團)有限公司). He also served as assistant to the chairman and deputy general manager at Tianrui Group Co., Ltd. (天瑞集團股份有限公司) and chairman of the board of Tianrui Group Finance Co., Ltd. (天瑞集團財務有限責任公司) from November 2017 to March 2018. Mr. Chen was a non-executive director at Hengtai Securities Co., Ltd (恒泰證券股份有限公司) (a company listed on the Stock Exchange, stock code: 1476) from September 2012 to November 2017. Mr. Chen has been an independent non-executive director of Xiamen Overseas Chinese Electronic Co., Ltd. (廈門華僑電子股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600870) since March 6, 2019, an external director of Beijing Enterprises Group Company Limited (北京控股集團有限公司) delegated by Stated-owned Assets Supervision and Administration Commission of the State Council of Beijing since 2018 and the president of Hongjing Enterprise Consulting (Beijing) Co., Ltd. (紅京企業諮詢(北京)有限公司) since April 2018.

Mr. Chen is currently an off-campus graduate advisor at Central University of Finance and Economics (中央財經大學), Chinese Academy of Fiscal Sciences (中國財政科學研究院), Capital University of Economics and Business (首都經貿大學), Beijing Technology and Business University (北京工商大學), Shanghai National Accounting Institute (上海國家會計學院) and Beijing National Accounting Institute (北京國家會計學院). He is also a member of the publication translation review committee of the International Federation of Accountants of the Chinese Institute of Certified Public Accountants, a member of the financial committee of Western Returned Scholars Association (歐美同學會), a deputy secretary of Green Manufacturing Association of China (中國綠色製造聯盟) and a member of the Professional Steering Committee of Chinese Institute of Certified Public Accountants.

Mr. Chen graduated from Henan College of Finance and Economics (河南財經學院) (currently known as Henan University of Finance and Economics (河南財經政法大學)) with a bachelor's degree in accounting in December 2000 and from Zhengzhou University (鄭州大學) with a bachelor's degree in finance in July 2002. He received his master's degree in accounting from the Research Institute of Fiscal Science affiliated to Ministry of Finance (財政部科學研究所) (currently known as Chinese Academy of Fiscal Sciences (中國財政科學研究院)) in July 2005, his doctorate degree in accounting from Central University of Finance and Economics (中央財經大學) in June 2008 and conducted his postdoctoral research in applied economics at the Research Institute of Fiscal Science affiliated to Ministry of Finance from June 2012 to September 2014.

Mr. Chen received a certificate of “National Leading Accountant” (全國會計領軍人才證書) issued by Ministry of Finance in November 2015. He has been accredited as a certified tax agent by the Office of Personnel of Henan Province (河南省人事廳) in December 2002 and a certified public accountant by the Chinese Institute of Certified Public Accountants in April 2011.

As at the Latest Practicable Date, Mr. Chen did not have any interest in shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chen does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Chen has executed an appointment letter as an independent non-executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the appointment letter shall continue unless and until terminated by either party giving to the other not less than three months’ prior notice in writing. Mr. Chen is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company’s Articles of Association. Pursuant to his appointment letter with the Company, Mr. Chen is entitled to receive an annual emoluments of RMB300,000. The emoluments of Mr. Chen are determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company’s performance and profitability, as well as remuneration benchmark in the industry and the prevailing market condition.

Save as disclosed above, there is no other information of Mr. Chen that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (9) **Ms. CHEN Danxia** (陳丹霞), aged 39, was appointed as an independent non-executive Director and the chairwoman of the Remuneration Committee on 27 November 2018, primarily responsible for supervising and providing independent judgment to the Board.

Ms. Chen has been the chairwoman of Ousia (Guangzhou) Ind Co., Ltd. (廣州澳希亞實業有限公司) since April 2006. Ms. Chen has been the general manager of cosmetics department since January 2008 and a director since January 2016 at Guangzhou Liby Enterprise Group Co, Ltd. (廣州立白企業集團有限公司). She served as the general manager from January 2009 to December 2013 and has been a chairwoman since January 2014 of Shanghai New COGI Cosmetics Co., Ltd. (上海新高姿化妝品有限公司). Ms. Chen has been the chairwoman at OUSIA AUSTRALIA PTY. LTD since May 2009, an executive director of Tibet Ousia Trading Co., Ltd. (西藏澳希亞商貿有限公司) since 8 June 2016, an executive director of Aokang Chengpin Co., Ltd. (澳康誠品有限公司) since 7 September 2016, a director at Kysun Investment (China) Co., Ltd. (凱晟控股(中國)有限公司) since December 2016, the chairwoman at Guangzhou Cheerwin Biotech Co., Ltd. (廣州超威生物科技股份有限公司) since January 2018, a manager at Guangzhou Superb Daily Chemical Products Co., Ltd. (廣州超威日用化學品有限有

限公司) since 19 September 2018, a general manager at AnFu Superb Household Chemical Co., Ltd. (安福超威日化有限公司) since 25 September 2018, an executive director and a general manager at Guangzhou Cheerwin Holdings Limited (廣州朝雲控股有限公司) since 19 October 2018, an executive director and a general manager of Guangzhou Yuntuo E-Commerce Co., Ltd. (廣州雲拓電子商務有限公司) since 14 November 2018, an executive director at Guangzhou Lechong Pet Products Co., Ltd. (廣州樂寵寵物用品有限公司) since 16 November 2018, an executive director and a general manager at Shanghai Runzhisu Biotech Co., Ltd. (上海潤之素生物科技有限公司) since 19 November 2018, an executive director of Guangzhou Leda Auto Accessories Co., Ltd. (廣州樂達汽車用品有限公司) since 20 November 2018, an executive director and general manager of Guangzhou Tongli Commodity Co., Ltd. (廣州通力日用品有限公司) since 20 December 2018 and the chairwoman of Guangzhou Yingshi Qizhi Technology Co., Ltd. (廣州英氏啟智科技有限公司) since 11 February 2019. In addition, she was a director at BKDR Financial Holding Group (寶凱道融投資控股有限公司) from February 2016 to February 2018.

Ms. Chen received her master's degree in marketing and strategic management from the University of Sydney in October 2006.

As at the Latest Practicable Date, Ms. Chen did not have any interest in shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Chen does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Ms. Chen has executed an appointment letter as an independent non-executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the appointment letter shall continue unless and until terminated by either party giving to the other not less than three months' prior notice in writing. Ms. Chen is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company's Articles of Association. Pursuant to her appointment letter with the Company, Ms. Chen is entitled to receive an annual emoluments of RMB300,000. The emoluments of Ms. Chen are determined by the Board with reference to her duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market condition.

Save as disclosed above, there is no other information of Ms. Chen that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (10) **Mr. De-chao Michael YU** (俞德超), aged 55, was appointed as an independent non-executive Director and a member of each of the Remuneration Committee and the Nomination Committee on 27 November 2018, primarily responsible for supervising and providing independent judgment to the Board. Mr. Yu was also appointed as a member of the Audit Committee on 7 March 2019.

Mr. Yu has been an executive director, chairman of the board, president and chief executive officer of Innovent Biologics, Inc. (信達生物製藥) (a company listed on the Stock Exchange, stock code: 1801) since April 28, 2011. Mr. Yu was a director, president and chief executive officer of Chengdu Kanghong Biotech Co. Ltd. (成都康弘生物科技有限公司) from 2006 to 2010. Mr. Yu was the vice president of research and development at Applied Genetic Technology Corporation (a company subsequently listed on the NASDAQ with ticker symbol AGTC) in 2005. Between 1997 and 2001, Mr. Yu was the vice president of Calydon, Inc. which was later acquired by Cell Genesys, Inc. (a company subsequently listed on the NASDAQ with ticker symbol CEGE), and worked there till 2005 following the acquisition as a principal scientist and a senior director. He served as an independent director at PharmaBlock Sciences (Nanjing), Inc. (南京藥石科技股份有限公司) (a company listed on Shenzhen Stock Exchange, stock code: 300725) from December 2015 to May 2018.

In addition, he has been a professor and Ph.D supervisor at Sichuan University since 2008. Mr. Yu has also served in different capacities in various committees and associations in the PRC, including as a deputy director of the National Technical Committee on Biochemical Products and Testing Technology of the Standardisation Administration of China (全國生化檢測標準化技術委員會) since 2007, as a member of the Special Committee of Cancer Biotherapy of the China Anti-Cancer Association (中國抗癌協會腫瘤生物治療專業委員會) since 2012, as a deputy director of Drug Research and Development Special Committee of the China Pharmaceutical Innovation and Research Development Association (中國醫藥創新促進會藥物研發專業委員會) since 2015, as a deputy director of the Committee of the Cancer Immunology and Cancer Biotherapy of the Chinese Society for immunology (中國免疫學會腫瘤免疫與腫瘤生物治療專業委員會) since 2016, as the chairman of the board of the Chinese Antibody Society (華人抗體協會) since 2017, as a managing director of the Chinese Association for Medicinal Biotechnology (中國醫藥生物技術協會) from 2014 to 2019 and as a member of the Special Committee for Precision Medicine of the China Medicinal Biotech Association (中國醫藥生物技術協會精準醫療專業委員會) from 2015 to 2019. He was also a standing committee member of the Special Committee of Gene Therapy Society of the Chinese Association of Medicinal Biotechnology (中國醫藥生物技術協會基因治療協會專業委員會) from 2013 to 2017.

Mr. Yu has engaged in innovative research on biopharmaceuticals for more than 20 years, who has invented three Class I new drugs and has led the development of Conbercept and sintilimab. Mr. Yu invented the world's first commercialized oncolytic virus-based immunotherapeutic product, Oncorine® (recombinant human type-5 adenovirus injection), creating a precedent for the use of viruses to treat tumors. Mr. Yu co-invented and led the development of China's first monoclonal antibody-like new drug with global intellectual property rights, Langmu® (Conbercept eye injection) which has changed the history of zero domestically developed medicine for Chinese patients with blindness caused by fundus diseases. Mr. Yu also co-invented and led the development of Tyvyt® (sintilimab injection) which is domestically-developed innovative PD-1 inhibitor with international quality and has been approved for marketing in China for relapsed or refractory classical Hodgkin's lymphoma (r/r cHL) on December 24, 2018.

Mr. Yu is an inventor of over 60 issued patents and patent applications, and has published more than 50 SCI scientific articles and book chapters. He was recognized as “Top Ten Persons in Innovation in China” (創新中國十大年度人物) by Xinhua News Agency and Chinese Association of Productivity Science in 2014, “The E&Y Entrepreneur of the Year in China” in 2015 and “Distinguished Entrepreneur of Jiangsu Province” (江蘇省優秀企業家) by Jiangsu Provincial Government in 2016. Mr. Yu was awarded as “Person of the Year in Innovation for Science and Technology in 2016” (國家2016年度科技創新人物) by China Central Television, “2017 China Person of the Year in Pharmaceutical Economics” (中國醫藥經濟2017年度人物) by Medicine Economic Reporter (醫藥經濟報) and “The Most Influential Person of the Year in Life Science in China in 2017” (2017生命科學領域最具影響力的十大年度人物) by biodiscover.com (生物探索) in 2017. Mr. Yu was awarded First Prize of “The Seventh National Overseas Returnee Contributions Awards” (中國僑界貢獻獎一等獎) by the All-China Federation of Returned Overseas Chinese (中華全國歸國華僑聯合會) in 2018.

Mr. Yu obtained his doctorate degree in genetics from Institute of Plant Physiology, Chinese Academy of Sciences (中國科學院) in May 1993 and conducted his postdoctoral research in pharmaceutical chemistry in University of California, San Francisco.

As at the Latest Practicable Date, Mr. Yu did not have any interest in shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Yu does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Yu has executed an appointment letter as an independent non-executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the appointment letter shall continue unless and until terminated by either party giving to the other not less than three months' prior notice in writing. Mr. Yu is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company's Articles of Association. Pursuant to his appointment letter with the Company, Mr. Yu is entitled to receive an annual emoluments of RMB300,000. The emoluments of Mr. Yu are determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market condition.

Save as disclosed above, there is no other information of Mr. Yu that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (11) **Mr. ZHANG Hongjiang**, aged 58, was appointed as an independent non-executive Director and a member of each of the Audit Committee and the Nomination Committee on 27 November 2018, primarily responsible for supervising and providing independent judgment to the Board.

From December 1991 to October 1995, Mr. Zhang worked as a researcher at the Institute of System Science, National University of Singapore. Mr. Zhang was a research manager at HP Labs from October 1995 to April 1999. From April 1999 to October 2011, Mr. Zhang served as assistant managing director of Microsoft Research Asia, then, managing director of Microsoft Advanced Technology Center, and the chief technology officer at Microsoft Asia R&D Group. From November 2011 to December 2016, Mr. Zhang served as an executive director and chief executive officer at Kingsoft Corporation Limited (金山軟件有限公司) (a company listed on the Stock Exchange, stock code: 3888), and also served as a director and the chief executive officer at Kingsoft Cloud Holdings Limited. He has been an independent director of Digital China Group Co., Ltd. (神州數碼集團股份有限公司) (a company listed on Shenzhen Stock Exchange, stock code: 000034.SZ) since 2017, an independent director at Huami Corporation (a company listed on NASDAQ, ticker symbol: HMI) since February 2018 and an independent non-executive director at AAC TECHNOLOGIES HOLDINGS INC. (瑞聲科技控股有限公司) (a company listed on the Stock Exchange, stock code: 2018) since January 1, 2019.

Mr. Zhang received a bachelor of science degree from Zhengzhou University in December 1981 and a Ph.D from Technical University of Denmark in October 1991.

Mr. Zhang is a Fellow of the Institute of Electric and Electronic Engineers (“IEEE”) and Association for Computing Machinery (“ACM”). He was the recipient of the 2012 ACM SIGMM Outstanding Technical Achievement Award, the 2010 IEEE Computer Society Technical Achievement Award, and the 2008 Asian American Engineer of the Year award.

As at the Latest Practicable Date, Mr. Zhang did not have any interest in shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Zhang does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company and did not hold any directorship in the last three years in any other public companies the securities of which are listed in Hong Kong or overseas.

Mr. Zhang has executed an appointment letter as an independent non-executive Director with the Company on 1 November 2018 for a term of three years commencing from the Listing Date and the appointment letter shall continue unless and until terminated by either party giving to the other not less than three months’ prior notice in writing. Mr. Zhang is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Listing Rules and the Company’s Articles of Association. Pursuant to his appointment letter with the Company, Mr. Zhang is entitled to receive an annual emoluments of RMB300,000. The emoluments of Mr. Zhang are determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company’s performance and profitability, as well as remuneration benchmark in the industry and the prevailing market condition.

Save as disclosed above, there is no other information of Mr. Zhang that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,688,488,109 Shares.

Subject to the passing of the ordinary resolution set out in item 16 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a maximum of 168,848,810 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole.

Repurchase of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF SHARE REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2018) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during the period from 27 November 2018 (being the Listing Date) up to and including the Latest Practicable Date were as follows:

Month and Year	Price per Share	
	Highest HK\$	Lowest HK\$
November 2018 (since the Listing Date)	7.32	6.51
December 2018	7.13	5.60
January 2019	6.82	5.71
February 2019	7.50	6.22
March 2019	8.00	5.20
April 2019 (<i>up to the Latest Practicable Date</i>)	6.87	5.60

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of a repurchase of Shares made.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. WANG Huainan, the Chairman of the Company, controlled, through Wang Family Limited Partnership and voting proxy agreements with certain Shareholders, the voting rights of a total of 497,708,933 Shares, representing approximately 29.48% of the issued share capital of the Company.

In the event that the Share Repurchase Mandate is exercised in full, the shareholding interest of Mr. WANG Huainan would be increased to approximately 32.75% of the issued share capital of the Company. The Directors consider that such increase in shareholding will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Share Repurchase Mandate to such an extent as would result in takeover obligations or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. REPURCHASE OF SHARES BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

The following is a summary of the principal terms of the Share Option Scheme to be conditionally approved and adopted by the Company at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the Share Option Scheme and it would not be taken as affecting the interpretation of the rules of the Share Option Scheme required to be included in the Share Option Scheme pursuant to the Listing Rules.

1. PURPOSE OF THE SCHEME

The purpose of the Scheme is to attract, retain and motivate talented employees to strive towards long term performance targets set by the Group and to provide them with an incentive to work better for the interest of the Group. The Scheme will link the value of the Company with the interests of the Participants, enabling the Participants and the Company to develop together and promote the Company's corporate culture.

2. PARTICIPANTS

Any Director or Employee who the Board considers, in its sole discretion, have contributed or will contribute to the Group.

3. MAXIMUM NUMBER OF SHARES FOR WHICH OPTIONS MAY BE GRANTED

- (i) Subject to sub-paragraph 3(ii):
 - (a) The total number of Shares which may be issued upon exercise of Options to be granted under the Scheme or any other share option schemes adopted by the Company (and to which the provisions of chapter 17 of the Listing Rules are applicable) shall not exceed 3% of the aggregate of the Shares in issue on the Adoption Date. Options which have lapsed shall not be counted in calculating the 3% limit.
 - (b) The Company may refresh the 3% limit set out in sub-paragraph 3(i)(a) with Shareholders' approval provided that each such limit (as refreshed) may not exceed the 3% of the Shares in issue as at the date of the Shareholders' approval. Options previously granted under the Scheme and any other share option schemes adopted by the Company (and to which the provisions of chapter 17 of the Listing Rules are applicable) (including those outstanding, cancelled or lapsed in accordance with the relevant scheme or exercised options) will not be counted for the purpose of calculating the limit to be refreshed. In such case, the Company shall send a circular to its Shareholders containing the information required under the Listing Rules.
 - (c) The Company may seek separate approval by Shareholders in general meeting for granting Options beyond the 3% limit set out in sub-paragraph 3(i)(a) provided that the Options in excess of the limit are granted only to Participants specially identified by the Company before such approval is sought. In such case, the Company shall send a circular to its Shareholders containing the information required under the Listing Rules.

- (ii) Notwithstanding anything in sub-paragraph 3(i) and subject to paragraphs 4 and 5, the total number of Shares which may be issued upon exercise of all Options granted and yet to be exercised under the Scheme or any other share option schemes adopted by the Company (and to which the provisions of chapter 17 of the Listing Rules are applicable) must not exceed 30% of the Shares in issue from time to time. No Options may be granted under the Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.

4. MAXIMUM ENTITLEMENT TO EACH PARTICIPANT

- (i) Subject to sub-paragraph 4(ii) and paragraph 5, the total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised, cancelled and outstanding Options) under the Scheme or any other share option schemes adopted by the Company (and to which the provisions of chapter 17 of the Listing Rules are applicable) in any 12-month period must not exceed 1% of the Shares in issue.
- (ii) Notwithstanding sub-paragraph 4(i), any further grant of Options which would result in the number of Shares issued as aforesaid exceeding the said 1% limit must be subject to prior Shareholders' approval with the relevant Participant and his close associates (as defined under the Listing Rules) (or his associates (as defined under the Listing Rules) if the Participant is a connected person) abstaining from voting. The Company shall send a circular to its Shareholders containing the information required under the Listing Rules. The number and terms of the Options to be granted to such Participant shall be fixed before the Shareholders' approval of the grant of such Options and the date of Board meeting for proposing such further grant should be taken as the Offer Date for the purpose of calculating the Exercise Price.

5. GRANT OF OPTIONS TO CONNECTED PERSONS

- (i) In addition to paragraph 4, each grant of Options to any Director, chief executive or substantial shareholder of the Company (or any of their respective associates) (as such terms are defined in rule 1.01 of the Listing Rules) shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is a proposed Grantee of the Option).
- (ii) Where any grant of Options to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates (as defined under the Listing Rules), would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
 - (a) representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue; and
 - (b) having an aggregate value, based on the closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of such grant, in excess of HK\$5 million (or such other higher amount as may from time to time be specified by the Stock Exchange),

such grant of Options shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting. The Grantee, his associates (as defined in the Listing Rules) and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favour at such general meeting. The Company shall send a circular to its Shareholders containing the information required under the Listing Rules.

All core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular to be sent to the Shareholders in connection therewith. Any such party may change his mind as to whether to abstain or vote against the resolution, in which case the Company shall, if it becomes aware of the change before the date of the general meeting, immediately despatch a circular to the Shareholders or publish an announcement notifying the Shareholders of the change and, if known, the reason for such change. Where the circular is despatched or the announcement is published less than 10 Business Days before the date originally scheduled for the general meeting, the meeting shall be adjourned before considering the relevant resolution to a date that is at least 10 Business Days from the date of despatch of the circular or publication of the announcement by the chairman.

6. TIME OF ACCEPTANCE AND EXERCISE OF OPTIONS

An Offer shall be made to a Participant by letter in such form as the Board may from time to time determine requiring the Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Scheme and shall remain open for acceptance by the Participant to whom an Offer is made for a period of 28 days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the Scheme has been terminated in accordance with its provisions.

An Offer shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Offer is duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with a remittance in favour of the Company of HK\$1.00 (receipt of which shall be deemed to be acknowledged by the Company upon receipt of the duplicate letter comprising acceptance of the offer letter duly signed by the Grantee) by way of consideration for the grant thereof, is received by the Company. Such remittance shall not be refundable.

A Grantee (or where permitted under sub-paragraph 12(ii), his or her legal personal representative(s)) may exercise his or her Option in whole or in part (but, if in part, only in respect of a Board Lot or any integral multiple thereof) in the manner as set out in paragraph 12 by giving notice in writing to the Company stating that the Option is thereby exercised and specifying the number of Shares to be subscribed. Each notice exercising a Share Option must be accompanied by a remittance for the aggregate amount of the Exercise Price multiplied by the number of Shares in respect of which the notice is given. Within 28 days after receipt of the notice and remittance and, where appropriate, receipt of the financial advisors' or the Auditors' certificate pursuant to paragraph 14, the Company shall allot, and shall instruct the Hong Kong Share Registrar to issue, the relevant Shares to the Grantee (or his or her personal representatives) credited as fully paid and issue to the Grantee (or his or her personal representatives) a share certificate in respect of the Shares so allotted.

An Option may be exercised during the Option Period which shall not be more than 10 years commencing on the Offer Date and expiring on the last day of such period subject to paragraph 12.

Subject to such terms and conditions as the Board may determine, there is no minimum period for which an Option must be held before it can be exercised.

7. PERFORMANCE TARGETS

Subject to such terms and conditions as the Board may determine, no performance target need to be achieved by the Grantee before the Options can be exercised.

8. EXERCISE PRICE

Subject to any adjustments made pursuant to the terms of the Scheme, the Exercise Price shall be at a price determined by the Board at its absolute discretion and notified to the Participant and shall be at least the highest of:

- (i) the closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the Offer Date;
- (ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Business Days immediately preceding the Offer Date; and
- (iii) the nominal value of a Share on the Offer Date.

9. LIFE OF THE SHARE OPTION SCHEME

Subject to paragraph 16, the Scheme shall be valid and effective for a period of ten years commencing on the Adoption Date after which period no further Options will be granted but the provisions of the Scheme shall in all other respects remain in full force and effect and Options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of issue.

10. RANKING OF SHARES

The Shares to be allotted and issued upon the exercise of an Option will be subject to the provisions of the Articles of Association and will rank *pari passu* with the fully paid Shares in issue as from the date of exercise of the Option and in particular will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of exercise of the Option other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor is before the date of exercise of the Option, provided always that when the date of exercise of the Option falls on a date upon which the register of members of the Company is closed then the exercise of the Option shall become effective on the first Business Day in Hong Kong on which the register of members of the Company is re-opened.

11. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option.

12. RIGHTS ATTACHING TO OPTIONS

Subject as hereinafter provided and subject to the terms and conditions upon which an Option was granted, the Option may be exercised by the Grantee at any time during the Option Period, provided that:

- (i) (a) in the event a Grantee (being an Employee or a Director of any member of the Group) ceases to be an Employee or a Director for any reason other than (i) his or her death, (ii) his or her retirement, or (iii) on one or more of the grounds of termination of employment, appointment or directorship specified in sub-paragraph 12(i)(b) or 13(vi), the Grantee may exercise the Option up to his or her entitlement at the date of cessation (to the extent he or she is entitled to exercise at the date of cessation but not already exercised) on the date of such cessation which date shall be the last actual working day with the Group whether salary is paid in lieu of notice or not (provided that such exercise is during the relevant Option Period), failing which it will lapse;
- (b) in the case where the Grantee is an Employee or a Director and where the Grantee ceases to be an Employee or a Director of the Group by reason of the termination of his or her employment, appointment or directorships on the grounds that he or she has become insolvent or has made any arrangements or compositions with his or her creditors generally or by reason of actual financial difficulties, the Grantee shall only be entitled to exercise the Options up to the entitlement of such Grantee as at the date on which such Grantee ceased to be an Employee or a Director of the Group (to the extent not already exercised) on the date of such cessation (provided that such exercise is during the relevant Option Period), failing which it will lapse;
- (ii) in the event the Grantee dies before exercising the Option in full and none of the events for termination of employment or engagement under sub-paragraph 13(vi) then exists with respect to such Grantee, the personal representative(s) of the Grantee shall be entitled within a period of six months from the date of death (provided that such exercise is during the relevant Option Period) to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent not already exercised), failing which it will lapse;
- (iii) in the event the date of retirement of a Grantee falls before the date of the Grantee exercising the Option in full and none of the events for termination of employment or engagement under sub-paragraph 13(vi) then exists with respect to such Grantee, the Grantee shall be entitled within a period of six months from the date of retirement (provided that such exercise is during the relevant Option period) to exercise the Option up to the entitlement of such Grantee as at the date of retirement (to the extent not already exercised), failing which it will lapse;

- (iv) if a general offer by way of voluntary offer, takeover or otherwise (other than by way of scheme of arrangement pursuant to sub-paragraph 12(v) below) is made to all the holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, the Company shall forthwith give notice thereof to the Grantee and the Grantee shall be entitled to exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company at any time within such period as shall be notified by the Company;
- (v) if a general offer for Shares by way of scheme of arrangement is made to all the holders of Shares and has been approved by the necessary number of holders of Shares at the requisite meetings, the Company shall forthwith give notice thereof to all the Grantees and any Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company;
- (vi) in the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to all the Grantees and any Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company, and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed Shareholders' meeting, allot, issue and register in the name of the Grantee such number of fully-paid Shares which fall to be issued on exercise of such Option;
- (vii) in the event of a compromise or arrangement, other than a scheme of arrangement contemplated in sub-paragraph 12(v) above, between the Company and its members and/or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company (which may cause the Option no longer exercisable), the Company shall give notice thereof to all the Grantees on the same day as it first gives notice of the meeting to its members and/or creditors to consider such a scheme or arrangement and any Grantee may at any time thereafter but before such time as shall be notified by the Company exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company, and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed meeting, allot, issue and register in the name of the Grantee such number of fully-paid Shares which fall to be issued on exercise of such Option; and
- (viii) in the event of the consummation of the sale, transfer or other disposition of all or substantially all of the Company's assets or the holders of Shares approve a plan of complete liquidation of the Company, the Company shall forthwith give notice thereof to all the Grantees and any Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company.

Upon the occurrence of any of the events referred to in sub-paragraphs 12(iv) to 12(viii), the Company may in its discretion and notwithstanding the terms of the relevant Option also give notice to a Grantee that his or her Option may be exercised at any time within such period as shall be notified by the Company and/or to the extent (not being less than the extent to which it could then be exercised in accordance with its terms) notified by the Company. If the Company gives such notice that any Option shall be exercised in part only, the balance of the Option shall lapse.

13. LAPSE OF OPTION

An Option shall lapse automatically (to the extent vested but not already exercised) on the earliest of:

- (i) the expiry of the Option Period (subject to the provisions of paragraph 9);
- (ii) the expiry of the periods for exercising the Option as referred to in sub-paragraphs 12(i), (ii), (iii), (iv), (vii) or (viii);
- (iii) subject to the scheme of arrangement becoming effective, the expiry of the period for exercising the Option referred to in sub-paragraph 12(v);
- (iv) subject to sub-paragraph 12(vi), the date of commencement of the winding up of the Company;
- (v) the date on which the Grantee commits a breach of paragraph 11;
- (vi) the date on which:

the Grantee (being an Employee or a Director of any member of the Group) ceases to be an Employee or a Director by reason of the termination of his or her employment, appointment or directorship on the grounds that he or she has been guilty of serious misconduct or has been convicted of any criminal offence involving his or her integrity or honesty or on any other ground on which an employer would be entitled to terminate his or her employment summarily,

provided that whether any one or more of the events specified in the above occur in relation to a Grantee shall in the reasonable opinion of the Board be solely and conclusively determined by the Board;

- (vii) where the Grantee is an Employee or a Director of a member of the Group (other than the Company), the date on which such member ceases to be a member of the Group;
- (viii) where there are circumstances not referred to in paragraph 12, the date the Grantee ceases to be a Participant for any reason, unless the Board otherwise determines; and
- (ix) the date on which the Option is cancelled by the Board as provided in paragraph 15.

Unless the Board otherwise determines, an Option granted but not yet vested with the Grantee shall also lapse automatically in the event that the Grantee being an Employee or a Director ceases to be an Employee or a Director, as the case may be, for whatever reason.

14. REORGANIZATION OF CAPITAL STRUCTURE

In the event of any capitalization issue, rights issue, sub-division or consolidation of Shares or reduction of share capital of the Company, but excluding, for the avoidance of doubt, any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, the Board shall determine what adjustment is required to be made to the Exercise Price and/or the number of Shares to be issued on exercise of the Options, and the auditors or financial advisors engaged by the Company for such purpose shall certify in writing to the Board that such adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September, 2005 to all issuers relating to share option schemes (the “**Supplemental Guidance**”). The capacity of the auditors or financial advisor in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the auditors or financial advisor shall be borne by the Company.

Any such adjustments shall give the participant the same proportion of the equity capital of the Company (as interpreted in accordance with the Supplemental Guidance) and any adjustments to the advantage of the Participants to the Exercise Price or to the number of Shares subject to the Options must be approved by the Shareholders in general meeting, and no adjustment may be made to the extent that Shares would be issued at less than their nominal value. In addition, any adjustment to be made will comply with the Listing Rules, the Supplemental Guidance and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

15. CANCELLATION OF OPTIONS

The Board may cancel Options previously granted to, but not yet exercised by, a Grantee. Where the Company cancels Options and offers new Options to the same Grantee, the offer of such new Options may only be made with available Options to the extent not yet granted (excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in paragraph 3 above.

16. TERMINATION OF THE SHARE OPTION SCHEME

The Company by ordinary resolution of the Shareholders, or the Board, may at any time terminate the operation of this Scheme, and in such event, no further Options will be offered or granted, but in all other respects the Scheme shall remain in full force and effect. Any granted but unexercised Options shall continue to be exercisable in accordance with their terms of issue after the termination of the Scheme.

17. ALTERATION OF THE SHARE OPTION SCHEME

Subject to the terms set out in the paragraph below, the Board may amend any of the provisions of the Scheme (including without limitation amendments in order to comply with changes in legal or regulatory requirements and amendments in order to waive any restrictions, imposed by the provisions of the Scheme, which are not found in chapter 17 of the Listing Rules) at any time (but not so as to affect adversely any rights which have accrued to any Grantee at that date). Those specific provisions of the Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of the Participants, and no changes to the authority of the Board or administrators of the Scheme in relation to any alteration of the terms herein shall be made, without the prior approval of Shareholders in general meeting.

Any alterations to the terms and conditions of the Scheme which are of a material nature, or any change to the terms of Options granted, must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Scheme. The Scheme so altered must comply with chapter 17 of the Listing Rules.

Any change to the authority of the Board or administrators of the Scheme in relation to any alteration to the terms of the Scheme must be approved by Shareholders of the Company in general meeting.

NOTICE OF ANNUAL GENERAL MEETING



BabyTree Group

寶寶樹集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1761)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Annual General Meeting**”) of BabyTree Group 寶寶樹集團 (the “**Company**”) will be held at Taishan Room, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Thursday, 13 June 2019 at 3:00 p.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2018.
2. To re-elect Mr. WANG Huainan as an executive director of the Company.
3. To re-elect Mr. XU Chong as an executive director of the Company.
4. To re-elect Mr. CHEN Qiyu as a non-executive director of the Company.
5. To re-elect Mr. WANG Changyong as a non-executive director of the Company.
6. To re-elect Mr. MA Jiangwei as a non-executive director of the Company.
7. To re-elect Mr. Christian Franz REITERMANN as a non-executive director of the Company.
8. To re-elect Mr. JING Jie as a non-executive director of the Company.
9. To re-elect Mr. CHEN Guanglei as an independent non-executive director of the Company.
10. To re-elect Ms. CHEN Danxia as an independent non-executive director of the Company.
11. To re-elect Mr. De-chao Michael YU as an independent non-executive director of the Company.
12. To re-elect Mr. ZHANG Hongjiang as an independent non-executive director of the Company.
13. To authorize the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company.

NOTICE OF ANNUAL GENERAL MEETING

14. To re-appoint KPMG as auditors of the Company and to authorize the Board to fix their remuneration.
15. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular despatched to the shareholders of the Company on the same day as this notice, the terms of which are set out in the printed document marked “A” now produced to this meeting and for the purpose of identification signed by the Chairman of this meeting hereof (the “**Share Option Scheme**”), the Share Option Scheme be and is hereby approved and adopted by the Company and that the directors of the Company be authorized:

- (a) to grant options in accordance with the Share Option Scheme, provided that the total number of shares of the Company (the “**Shares**”) which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company, shall not exceed 3% of the issued Shares as at the date of passing this resolution;
 - (b) to alter and/or modify the Share Option Scheme from time to time provided that such alteration and/or modification is effected in accordance with the provisions of the Share Option Scheme relating to the alteration and/or modification and subject to Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”);
 - (c) to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the exercise of options granted under the Share Option Scheme and subject to the Listing Rules; and
 - (d) to take all such steps as may be necessary or desirable to implement the Share Option Scheme.”
16. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT**:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

17. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below and compliance with prevailing requirements of the Listing Rules, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;
- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

18. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 16 and 17 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 17 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 16 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (such total number to be subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

On behalf of the Board
BabyTree Group
寶寶樹集團
WANG Huainan
Chairman

Hong Kong, 26 April 2019

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman in good faith, decides to allow a resolution purely relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Company’s articles of association and the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder may appoint any number of proxies to represent him and vote on his behalf at the above meeting. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.

NOTICE OF ANNUAL GENERAL MEETING

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the above meeting (i.e. not later than 3:00 p.m. (Hong Kong time) on Tuesday, 11 June 2019) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. Closure of Register of Members

For the purpose of determining the entitlement to attend and vote at the Annual General Meeting, the Register of members of the Company will be closed from Thursday, 6 June 2019 to Thursday, 13 June 2019, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the annual general meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 5 June 2019.

In the event that the Annual General Meeting is adjourned to a date later than 13 June 2019 because of bad weather or other reasons, the book closure period and record date for determination of entitlement to attend and vote at the above meeting will remain the same as stated above.

5. In relation to the proposed Resolution no. 14 above, the Board concurs with the views of the audit committee of the Board and has recommended that KPMG be re-appointed as auditors of the Company.

6. Bad Weather Arrangements

If a tropical cyclone warning signal number 8 or above is hoisted or is expected to be hoisted or a black rainstorm warning signal is in force or expected to be in force in Hong Kong at any time between 1:00 p.m. to 3:00 p.m. on the date of the Annual General Meeting, the meeting will be automatically postponed to a later date. The Company will post an announcement on the websites of Hong Kong Exchanges and Clearing Limited and the Company to notify shareholders of the date, time and location of the rescheduled meeting.

The Annual General Meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force in Hong Kong. Shareholders should in any event exercise due care and caution when deciding to attend the meeting in adverse weather conditions.

7. References to time and dates in this notice are to Hong Kong time and dates.