
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Changshouhua Food Company Limited, you should at once hand this circular and the accompanying 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.

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

CHANGSHOUHUA FOOD COMPANY LIMITED

長壽花食品股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1006)

PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting (“AGM”) of Changshouhua Food Company Limited (the “Company”) to be held at 5th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 29 June 2020 at 9:00 a.m., at which the above proposals will be considered, is set out on pages 14 to 17 of this circular.

Whether or not you intend to attend and/or vote at the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

In compliance with the Hong Kong Government’s directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of coronavirus disease 2019 (“COVID-19”), the Company will implement the following precautionary measures at the AGM including, without limitation:

- compulsory body temperature screening;
- wearing of surgical face masks;
- no distribution of corporate gift or refreshment;
- mandatory health declaration — anyone subject to the Hong Kong Government’s prescribed quarantine or who has travelled overseas within 14 days immediately before the date of the AGM will be denied entry into the AGM venue; and
- appropriate seating arrangement in line with the guidance from the Hong Kong Government will be made.

The Company strongly advises Shareholders to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) as an alternative to attending the AGM in person. Shareholders are advised to read page (ii) of this circular for further details and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

CONTENTS

	<i>Page</i>
Precautionary Measures for the AGM	ii
Responsibility Statement	iii
Definitions	1
Letter from the Board	3
Appendix I — Explanatory Statement on Repurchase Mandate	7
Appendix II — Details of the Directors proposed to be re-elected at the AGM	11
Notice of AGM	14

PRECAUTIONARY MEASURES FOR THE AGM

In compliance with the Hong Kong Government's directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health ("CHP") on the prevention of coronavirus disease 2019 ("COVID-19"), the Company will implement precautionary measures at the AGM in the interests of the health and safety of our shareholders, investors, directors, staff and other participants of the AGM (the "Stakeholders") which include without limitation:

- (1) Every attendee **will be required to wear a surgical face mask** throughout the AGM and inside the AGM venue. Attendees are advised to maintain appropriate social distance with each other at all times when attending the AGM.
- (2) There will be **compulsory body temperature screening** for all persons before entering the AGM venue. Any person with a body temperature of 37.3 degrees Celsius or above or any person which exhibits any flu-like symptoms may be denied entry to the AGM venue or be required to promptly leave the AGM venue.
- (3) **No refreshment will be served, and there will be no corporate gift.**
- (4) Attendees may be asked (i) if he/she has travelled outside of Hong Kong within 14 days immediately before the AGM; AND (ii) if he/she is subject to any Hong Kong Government prescribed quarantine requirement. Any person who responds positively to any of these questions will be denied entry into the AGM venue.
- (5) Anyone attending the AGM is reminded to observe good personal hygiene at all times.
- (6) Appropriate seating arrangement at the AGM venue in line with the guidance from the Hong Kong Government will be made.
- (7) **In light of the continuing risks posed by the COVID-19 pandemic, and in the interests of protecting the Stakeholders, the Company is supportive of the precautionary measures being adopted and reminds Shareholders that physical attendance in the AGM is not necessary for the purpose of exercising voting rights. The Company strongly advises Shareholders to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) as an alternative to attending the AGM in person.**
- (8) **Shareholders are advised to monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.**
- (9) Health education materials and up-to-date development on COVID-19 can be found on the CHP website (www.chp.gov.hk) and the website of the Hong Kong Government on COVID-19 (www.coronavirus.gov.hk).

RESPONSIBILITY STATEMENT

This circular, for which the Directors (as defined herein) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules (as defined herein) for the purpose of giving information with regard to the Company. The Directors (as defined herein), having made all reasonable enquires, 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.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at 5th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 29 June 2020 at 9:00 a.m.
“Articles”	the articles of association of the Company adopted on 23 November 2009 and effective from 18 December 2009, and embodied all amendments passed by special resolutions up to 25 May 2012
“Board”	the board of Directors
“Close associates”	has the meaning as defined under the Listing Rules
“Company”	Changshouhua Food Company Limited, an exempted company incorporated in the Cayman Islands on 9 September 2009 under the Companies Law with limited liability and the Shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares of up to 20% of the aggregate number of the issued Shares of the Company as at the date of passing of the relevant resolution granting such mandate and adding thereto any Shares repurchased by the Company pursuant to the authority granted under the Repurchase Mandate
“Latest Practicable Date”	22 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Register”	the register of members of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares of up to 10% of the aggregate number of the issued Shares of the Company as at the date of passing of the relevant resolution granting such mandate
“SFO”	Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers
“HK\$” and “HK cents”	Hong Kong dollars and cents, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

LETTER FROM THE BOARD

CHANGSHOUHUA FOOD COMPANY LIMITED

長壽花食品股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1006)

Executive Directors:

WANG Mingxing (*Chairman*)

WANG Mingfeng

WANG Mingliang

CHENG Wenming

REN Zaishun

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-Executive Directors:

WANG Aiguo

WANG Ruiyuan

LIU Shusong

*Head Office and Principal Place
of Business in Hong Kong:*

Suites 1106-08, 11th Floor

The Chinese Bank Building

61-65 Des Voeux Road Central

Hong Kong

28 April 2020

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed to seek approval of the Shareholders at the AGM in respect of, among other matters, (i) the ordinary resolutions for granting to the Directors the Issue Mandate and the Repurchase Mandate; and (ii) the ordinary resolutions for re-election of Directors.

LETTER FROM THE BOARD

GENERAL MANDATES

At the annual general meeting of the Company held on 30 May 2019, the Directors were granted by the then Shareholders (i) a general and unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate number of Shares of the Company in issue as at the date of passing such resolution; (ii) a general and unconditional mandate to repurchase Shares with an aggregate number not exceeding 10% of the aggregate number of Shares of the Company in issue as at the date of passing such resolution; and (iii) to extend the general mandate mentioned in above by an amount representing the aggregate number of Shares of the Company repurchased by the Company pursuant to the repurchase mandate referred to (ii) above.

The above general mandates will lapse at the conclusion of the AGM. It is therefore proposed to seek your approval by way of ordinary resolutions to be proposed at the AGM to approve the Issue Mandate and the Repurchase Mandate. The Directors wish to state that they have no immediate plan to issue any Shares or repurchase any Shares pursuant thereto. Please refer to resolutions numbered 4 to 6 set out in the notice of AGM on pages 14 to 17 of this circular for details of the proposed Issue Mandate and Repurchase Mandate.

As at the Latest Practicable Date, the number of issued Shares was 573,560,000 Shares. Assuming no further Shares are to be issued or repurchased prior to the AGM, the Issue Mandate will grant to the Directors an authority to issue up to 114,712,000 Shares.

EXPLANATORY STATEMENT

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the ordinary resolution to grant to the Directors the Repurchase Mandate at the AGM.

RE-ELECTION OF DIRECTORS

The Board currently consists of eight Directors, namely Mr. Wang Mingxing, Mr. Wang Mingfeng, Mr. Wang Mingliang, Mr. Cheng Wenming, Mr. Ren Zaishun, Mr. Wang Aiguo, Mr. Wang Ruiyuan and Mr. Liu Shusong.

Pursuant to Article 84 of the Articles, Mr. Wang Mingfeng, Mr. Wang Mingliang and Mr. Wang Aiguo shall retire from office as Directors by rotation at the AGM and being eligible, offer themselves for re-election.

LETTER FROM THE BOARD

Details of the above-mentioned Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

The Nomination Committee of the Company has reviewed the biographical information of the retiring Directors, and considered that the re-election of Mr. Wang Aiguo as an independent non-executive Director would be in the best interests of the Company and its Shareholders as a whole by taking into account that Mr. Wang Aiguo has extensive experience and knowledge in finance and accounting, his working profile and other factors as set out in Appendix II to this circular. His depth of knowledge and experience can support his roles and he actively participated in the Company's board meetings and board committee meetings, and made valuable contributions to the Group. The Nomination Committee is satisfied that Mr. Wang Aiguo has the required character, integrity and experience to continuously fulfil his role as an independent non-executive Director effectively.

The Nomination Committee has also assessed the independence of Mr. Wang Aiguo based on reviewing the annual written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules and confirmed that Mr. Wang Aiguo remains independent.

Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that all the retiring Directors stand for re-election as Directors at the annual general meeting.

ANNUAL GENERAL MEETING

Set out on pages 14 to 17 of this circular is a notice convening the AGM to consider and, if appropriate, to approve the ordinary resolutions relating to the proposals for the general mandates to issue Shares and to repurchase Shares, and re-election of Directors.

A form of proxy for use at the AGM is enclosed herewith. Whether or not you are able to attend and/or vote at the AGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all the resolutions set out in the notice of AGM will be voted by poll.

CLOSURE OF REGISTER OF MEMBERS

For determining the identities of the Shareholders to attend and vote at the AGM, the Register will be closed from Monday, 22 June 2020 to Monday, 29 June 2020, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 19 June 2020.

RECOMMENDATION

The Board considers that the ordinary resolutions in relation to the Issue Mandate, the Repurchase Mandate and the re-election of Directors to be proposed at the AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the AGM.

GENERAL

Your attention is also drawn to the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

By Order of the Board
Changshouhua Food Company Limited
Wang Mingxing
Chairman

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders in advance by an ordinary resolution at a general meeting, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 573,560,000 Shares. Subject to the passing of the resolution for repurchase of Shares and on the basis that no further new Shares will be issued or repurchased up to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 57,356,000 Shares, representing 10% of the existing issued Shares.

3. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES

Any repurchase of securities of the Company would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for the purpose in accordance with the Articles and the applicable laws of the Cayman Islands and the Listing Rules. Such funds include, but are not limited to, profits available for distribution. Purchases may only

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE MANDATE

be effected out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorized by its Articles and subject to the provisions of the Companies Law, out of capital. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorized by the Articles and subject to the provisions of the Companies Law, out of capital.

5. GENERAL

There might be a material adverse impact on the working capital or gearing position as disclosed in the audited financial statement of the Company for the year ended 31 December 2019 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the 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.

6. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during the past twelve months and up to the Latest Practicable Date were as follows:

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
April	3.70	3.25
May	3.37	2.80
June	3.17	2.79
July	3.05	2.74
August	3.04	2.63
September	3.55	2.80
October	3.79	3.13
November	3.68	3.15
December	3.50	2.89

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE MANDATE

	Share prices	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2020		
January	3.01	2.69
February	2.80	2.55
March	2.79	2.20
April (up to and including the Latest Practicable Date)	2.61	2.39

7. UNDERTAKING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their close associates, has any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate pursuant to the proposed resolution in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

8. CORE CONNECTED PERSON

No core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

9. TAKEOVERS CODE

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, Zouping Sanxing Grease Industry

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE MANDATE

Company Limited (“Sanxing Grease”), the controlling Shareholder of the Company, is interested in 299,037,249 Shares (representing approximately 52.14% of the total issued Shares of the Company as the Latest Practicable Date). In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, then the attributable interest of Sanxing Grease would be increased from 52.14% to approximately 57.93% of the issued share capital of the Company. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors has no present intention to exercise the Repurchase Mandate to such an extent as would result in the amount of shares held by the public being reduced to less than 25%.

10. SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

The following sets out the details of the Directors who shall retire and, being eligible, offer themselves for re-election at the AGM pursuant to the Articles 84(1) of the Articles.

EXECUTIVE DIRECTOR

Mr. Wang Mingfeng (“Mr. Wang MF”), aged 61, is one of the co-founders of the Group. He was appointed as an executive Director of the Company on 23 November 2009. He is a member of the corporate governance committee of the Company. He is also a director of Corn Industry. He is responsible for monitoring the internal control system of the Group and leads an internal audit team of the Group. He has been engaged in the edible corn oil product business for over ten years. Mr. Wang MF obtained a bachelor degree in Business Administration from Hebei Radio & TV University (河北廣播電視大學) in 1983. He was awarded as Vice President of The Eighth Industrial and Commercial Joint Association in Zouping (鄒平縣第八屆工商業聯合會副會長) by Chinese Communist Zouping County Committee (中共鄒平縣委員會) in 2006. He was also awarded as The Outstanding Business Management Expert of Binzhou City (濱州市“優秀企業經營管理人才”) by Chinese Communist Binzhou City Committee (中共濱州市委) and the People’s Government of Binzhou City (濱州市人民政府) in 2007. He became The First Vice President of Binzhou Municipal Association of Grain Sector (濱州市糧食行業協會第一屆理事會副會長) in June 2007. Mr. Wang MF did not hold any directorship in other listed companies in the past three years.

Upon expiry of the service contract between the Company and Mr. Wang MF on 17 December 2018, Mr. Wang MF entered into a service contract with the Company for a term of three years commencing from 18 December 2018 unless terminated by not less than three months’ notice in writing served by either party on the other. He is entitled to a director’s remuneration of RMB500,000 per annum, which is determined by the Board with reference to the recommendation from the Remuneration Committee, the duties and responsibilities of Mr. Wang MF and the prevailing market conditions. He is subject to retirement by rotation at least once every three years in accordance with the Articles.

As at the Latest Practicable Date, Mr. Wang MF is deemed to be interested in 299,037,249 Shares held by SanXing Trade Co., Ltd. (“SanXing Trade”) within the meaning of Part XV of the SFO.

Mr. Wang MF, is the elder brother of Mr. Wang MX and Mr. Wang Mingliang, both of whom are executive Directors of the Company. Save as disclosed above, he does not have any relationship with any other director, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Mr. Wang Mingliang (“Mr. Wang ML”), aged 48, is one of the co-founders of the Group. He was appointed as an executive Director on 23 November 2009. He is also the chairman of the corporate governance committee of the Company. He is a director of Corn Industry. He is responsible for handling customer relationships. He has been engaged in the edible corn oil product business for over ten years. Mr. Wang ML obtained a bachelor degree in Mechanical Engineering from Harbin University of Science and Technology (哈爾濱科學技術大學) in 1994 and was qualified as an Internal Inspector of Quality System in 2001 by Beijing Oxford and Cambridge Senior Training Center (北京牛津 — 劍橋高級培訓中心). He further completed the Tsinghua University Chief Executives’ Leadership and Commercial Strategy Class (清華大學領導商略總裁高級研修班) in 2006. He was awarded as The Top 10 Factory Manager of Zouping (鄒平縣“十佳廠長”) by Chinese Communist Zouping County Committee (中共鄒平縣委員會) and the People’s Government of Zouping County (鄒平縣人民政府) in 2004. Mr. Wang ML did not hold any directorship in other listed companies in the past three years.

Upon expiring of the service contract between the Company and Mr. Wong on 17 December 2018, Mr. Wang entered into a service contract with the Company on 18 December 2018 for a term of three years commencing from 18 December 2018 unless terminated by not less than three months’ notice in writing served by either party to the other. He is entitled to a director’s remuneration of RMB1,500,000 per annum, which is determined by the Board with reference to the recommendation from the remuneration committee of the Company, the duties and responsibilities of Mr. Wang and the prevailing market conditions. He is subject to retirement by rotation at least once every three years in accordance with the Articles.

As at the Latest Practicable Date, Mr. Wang ML is deemed to be interested in 299,037,249 shares of the Company held by SanXing Trade, which is wholly-owned by Sanxing Grease, which is wholly-owned by Shandong Sanxing Group Company Limited, which in turn is owned as to 25.50% by Mr. Wang Mingxing, 29.49% by Mr. Wang Mingfeng and 29.39% by Mr. Wang ML.

Mr. Wang ML is the younger brother of Mr. Wang Mingfeng and Mr. Wang Mingxing, both of whom are executive Directors of the Company. Save as disclosed above, he does not have any relationship with any other director, senior management, substantial shareholders (as defined in the Listing Rules) or controlling shareholders (as defined in the Listing Rules) of the Company.

APPENDIX II DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wang Aiguo (“Mr. Wang AG”), aged 55, was appointed as an independent non-executive Director of the Company on 23 November 2009. He is also the chairman of each of the audit committee of the Company and the Remuneration Committee, and a member of the Nomination Committee. Mr. Wang AG is currently the Dean of the School of Accounting of Shandong University of Finance and Economics (山東財經大學) and a member of the council of the Accounting Society of China (中國會計學會). He obtained a doctoral degree in Management Science and Engineering from Tianjin University (天津大學) in 2006. Mr. Wang AG engages in researches in the area of accounting and auditing. His publications include Accounting Theory Research – building up an accounting theory model with Chinese feature (會計理論研究 — 構建中國特色的會計理論體系) published by Nanhai Publishing Company (南海出版公司) in 1995, Cost Accounting Theory (成本會計理論) published by Inner Mongolia University Press (內蒙古大學出版社) in 1999, and Innovative Research on the Strategic Management Mode of HighTechnique Enterprise (高技術企業戰略管理模式的創新研究) published by Shandong People’s Publishing House (山東人民出版社) in 2009. His research papers were also published in various finance and accounting journals. Mr. Wang AG did not hold any directorship in other public listed companies in the past three years.

Upon the expiry of the letter of appointment issued by the Company on 17 December 2018, Mr. Wang AG has signed a letter of appointment issued by the company for a term of three years commencing from 18 December 2018 unless terminated by not less than three months’ prior notice in writing served by either party on the other. He is entitled to a director’s remuneration of RMB50,000 per annum, which is determined by the Board with reference to the recommendation from the Remuneration Committee, the duties and responsibilities of Mr. Wang AG and the prevailing market conditions. He is subject to retirement by rotation at least once every three years in accordance with the Articles.

As at the Latest Practicable Date, Mr. Wang AG does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Wang AG does not have any relationship with any other director, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed above, there is no information required to be disclosed pursuant to any of the requirements of Rules 13.51(2) of the Listing Rules (particularly in relation to subparagraphs (h) to (v) therein) nor are there any other matters that need to be brought to the attention of the Shareholders in respect of each of the above Directors.

NOTICE OF AGM

CHANGSHOUHUA FOOD COMPANY LIMITED

長壽花食品股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1006)

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of Changshouhua Food Company Limited (the “Company”) will be held at 5th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 29 June 2020 at 9:00 a.m., to transact the following businesses:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and Auditor of the Company and its subsidiaries for the year ended 31 December 2019.
2.
 - (i) To re-elect Mr. Wang Mingfeng as Director.
 - (ii) To re-elect Mr. Wang Mingliang as Director.
 - (iii) To re-elect Mr. Wang Aiguo as Director.
 - (iv) To authorise the Directors to fix the Directors’ remuneration.
3. To re-appoint BDO Limited as Auditor and to authorize the Directors to fix its remuneration.
4. **“THAT:**
 - (a) subject to the following provisions of this resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.1 each in the share capital of the Company (the “Shares”), and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF AGM

- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company; shall not exceed 20% of the aggregate number of Shares in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

- (d) for the purpose 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 or any applicable law of the Cayman Islands to be held; or

 - (iii) the date on which such mandate 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 the holders of Shares or any class of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited

NOTICE OF AGM

(the “Stock Exchange”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate number of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate number of Shares in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
 - (c) for the purpose 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 law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”
6. “**THAT** conditional upon resolutions numbered 4 and 5 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution numbered 4 above be and is hereby extended by the additional thereto of the Shares repurchased by the Company under the authority granted pursuant to resolution numbered 5 above, provided that such amount shall not exceed 10% of the aggregate number of Shares in issue as at the date of passing the resolution.”

By Order of the Board
Changshouhua Food Company Limited
Chan Yuen Ying, Stella
Company Secretary

Hong Kong, 28 April 2019

NOTICE OF AGM

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose, seniority will be determined by the order in which names stand in the register of members.
3. In order to be valid, the form of proxy must be signed under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for the holding of the Meeting.
4. For determining the identities of the shareholders to attend and vote at the Meeting, the register of members of the Company will be closed from Monday, 22 June 2020 to Monday, 29 June 2020, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 19 June 2020.
5. With respect to resolution no.2 of this notice, Mr. Wang Mingfeng, Mr. Wang Mingliang and Mr. Wang Aiguo shall retire from office of directorship and, being eligible, offer themselves for re-election in accordance with the Articles of Association of the Company. Details of their information which are required to be disclosed under the Listing Rules are set out in the circular of the Company dated 28 April 2020.
6. As at the date of this notice, the board of Directors of the Company consists of eight Directors, five of whom are executive Directors, namely Mr. Wang Mingxing, Mr. Wang Mingfeng, Mr. Wang Mingliang, Mr. Cheng Wenming and Mr. Ren Zaishun, and three of whom are independent non-executive Directors, namely Mr. Wang Aiguo, Mr. Wang Ruiyuan and Mr. Liu Shusong.
7. **In compliance with the Hong Kong Government's directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of coronavirus disease 2019 ("COVID-19"), the Company will implement precautionary measures at the Meeting. Shareholders are advised to read page (ii) of this circular for details of the precautionary measures and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.**
8. **In light of the continuing risks posed by the COVID-19 pandemic, the Company strongly advises Shareholders to appoint the chairman of the Meeting as their proxy to vote on the relevant resolution(s) as an alternative to attending the Meeting in person.**
9. **In case the venue is being closed on the date of Meeting due to COVID-19, the meeting shall stand adjourned to the same day in the next week or at such other time and place as the chairman of the Meeting may determine. The Company will post an announcement on the Stock Exchange and the Company's website notifying Shareholders of the date, time and place of the adjourned meeting.**