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If you have sold or transferred all your shares in Shuanghua Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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SHUANGHUA HOLDINGS LIMITED

雙樺控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1241)

- (1) PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
(2) PROPOSED RE-ELECTION OF DIRECTORS,
(3) PROPOSED RE-APPOINTMENT OF AUDITOR,
(4) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
(5) PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME
AND
(6) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Shuanghua Holdings Limited (the “**Company**”) to be held at 9/F, Tongsheng Building, 458 Fushan Road, Pudong District, Shanghai, the PRC on Thursday, 16 June 2022 at 2 p.m. is set out on pages 51 to 56 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time of the meeting (i.e. not later than 2:00 p.m. on Tuesday, 14 June 2022) to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investors Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

29 April 2022

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on Thursday, 16 June 2022 at 2 p.m. at 9/F, Tongsheng Building, 458 Fushan Road, Pudong District, Shanghai, the PRC or any adjournment thereof, the notice of which is set out on pages 51 to 56 of this circular
“Articles” or “Articles of Association”	the articles of association adopted by the Company and as amended from time to time by resolution of the Shareholders
“Adoption Date”	means 16 June 2022, the date on which the New Share Option Scheme to be conditionally adopted by a resolution of the shareholders of the Company at the Annual General Meeting
“Board”	the board of Directors
“associate(s)”	has the same meaning as ascribed to it thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Shuanghua Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“core connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	means any full-time or part-time employees, executives or officers (including executive and non-executive directors, but excluding independent non-executive directors) of the Company or any of its subsidiaries, as absolutely determined by the Board
“Group”	the Company and its subsidiaries

DEFINITIONS

“Grantee”	means any Eligible Participant who accepts the offer of the grant of an option in accordance with the rules of the New Share Option Scheme
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	22 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the share option scheme of the Company proposed to be adopted by the Shareholders at the Annual General Meeting
“PRC”	the People’s Republic of China
“Previous Share Option Scheme”	the share option scheme of the Company adopted by resolution of the Shareholders on 8 June 2011
“Proposed Amendments”	the proposed amendments to the Articles of Association as set out in Appendix II to this circular
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase up to 10% of the issued share capital of the Company as at the date of the Annual General Meeting
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Issue Mandate”	the general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with up to 20% of the issued share capital of the Company as at the date of the Annual General Meeting
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary within the meaning of the Companies Ordinance for the time being of the Company whether incorporated in Hong Kong or else where and shall be construed accordingly
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent

LETTER FROM THE BOARD



SHUANGHUA HOLDINGS LIMITED
雙樺控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1241)

Executive Directors:

Mr. Zheng Ping (*Chairman*)
Ms. Zheng Fei
Ms. Tang Lo Nar

Non-executive Director:

Ms. Kong Xiaoling

Independent non-executive Directors:

Mr. He Binhui
Mr. Chen Lifan
Ms. Guo Ying

Registered office:

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY-1111, Cayman Islands

Head office:

9/F, Tongsheng Building
458 Fushan Road
Pudong District
Shanghai
PRC

Principal place of business in Hong Kong:

2/F, Eton Tower
8 Hysan Avenue
Causeway Bay
Hong Kong

29 April 2022

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
(2) PROPOSED RE-ELECTION OF DIRECTORS,
(3) PROPOSED RE-APPOINTMENT OF AUDITOR,
(4) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
(5) PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME
AND
(6) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you further information regarding the resolutions to be proposed at the Annual General Meeting relating to (i) the granting to the Directors the

LETTER FROM THE BOARD

Share Issue Mandate; (ii) the granting to the Directors the Repurchase Mandate; (iii) the proposed re-election of Directors who will retire at the Annual General Meeting; (iv) the proposed re-appointment of auditor; (v) the Proposed Amendments to the Articles of Association; and (vi) the proposed adoption of the New Share Option Scheme, and to seek your approval of the resolutions in relation thereto to be proposed at the Annual General Meeting.

This circular contains the explanatory statement in compliance with the Listing Rules and to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions.

The notice of the Annual General Meeting is set out on pages 51 to 56 of this circular.

PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the Share Issue Mandate. At the Annual General Meeting, an ordinary resolution will be proposed to (i) grant to the Directors a general mandate to allot, issue and deal with new Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to the Share Issue Mandate; and (ii) extend the Share Issue Mandate by the amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 650,000,000 Shares. Subject to the passing of the ordinary resolution in relation to the Share Issue Mandate, and on the basis there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the Company will be allowed to issue a maximum of 130,000,000 Shares.

Ordinary resolutions will also be proposed at the Annual General Meeting to grant to the Directors a general mandate to exercise all powers of the Company to repurchase issued and fully paid Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation to the Repurchase Mandate. The Repurchase Mandate allows the Company to make or agree to make repurchases only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law or by the Articles of Association; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

LETTER FROM THE BOARD

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 information in the explanatory statement is provided to you with all information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

PROPOSED RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the executive Directors were Mr. Zheng Ping, Ms. Zheng Fei and Ms. Tang Lo Nar; the non-executive Director was Ms. Kong Xiaoling; and the independent non-executive Directors were Ms. Guo Ying, Mr. He Binhui and Mr. Chen Lifan.

Pursuant to Article 84 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to the retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. In addition, the Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Further, any Director appointed by the Board to fill casual vacancy on the Board shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

Accordingly, Ms. Zheng Fei, Ms. Tang Lo Nar and Ms. Guo Ying will retire as Directors by rotation in accordance with the Articles of Association. Ms. Zheng Fei, Ms. Tang Lo Nar and Ms. Guo Ying, being eligible, offer themselves for re-election at the Annual General Meeting.

Brief biographical and other details of Ms. Zheng Fei, Ms. Tang Lo Nar and Ms. Guo Ying, who are proposed to be re-elected at the Annual General Meeting, are set out as follows:

Ms. Zheng Fei (鄭菲), aged 32, is the executive Director and the vice president of the Company. She joined the Group in 2014 and was appointed to the Board on 19 July 2017. Ms. Zheng is primarily responsible for monitoring the business operations of the Group, reviewing and implementing the Group's strategies and policies, and managing risks while in pursuit of the Group's strategic objectives. Since 2014, Ms. Zheng has been involved in assisting the core business of the Group, including sales and distribution, procurement, accounting and finance, corporate management, human resources and operational departments. Ms. Zheng worked as the investment manager of Fu Woo International Limited (富和國際有限公司) from 2012 to 2013, and was responsible for commodity trading and foreign investments. Ms. Zheng received her bachelor's degree in Economics from the University of Chicago (美國芝加哥大學). She interned and worked in major investment banks from 2009 to 2012, dealing with capital markets, investment research and asset management related matters in the Asia Pacific region. Ms. Zheng is the daughter of Mr. Zheng Ping, who is the Company's chairman of the Board, executive Director and controlling Shareholder, and Ms. Kong Xiaoling, who is the Company's non-executive Director.

LETTER FROM THE BOARD

Ms. Zheng was re-elected as an executive Director on 29 June 2020 for a fixed term of three years. Upon her re-election, the terms of her appointment shall remain valid. She is entitled to a director's remuneration of approximately RMB60,000 per year, which is determined with reference to Ms. Zheng's qualification, experience, performance and market rates.

Ms. Tang Lo Nar (鄧露娜), aged 49, is an executive Director, the chief financial officer and the company secretary of the Company. She joined our Group in 2011, and was appointed to the Board in April 2012. She has been acting as the independent non-executive director of a Stock Exchange Main Board listed company, namely Ganglong China Property Group Limited (stock code: 6968) since May 2020. Ms. Tang was the company secretary of two Stock Exchange main board listed companies for the periods from 31 December 2008 to 1 April 2010 and from 12 January 2009 to 1 April 2010, respectively, the company secretary of a Stock Exchange Main Board listed company from 2 March 2012 to 10 October 2014, and has been the company secretary of a Stock Exchange GEM board listed company from September 2018 to March 2021. She is a Fellow of the Association of Chartered Certified Accountants and a member of Hong Kong Society of Accountants, the Hong Kong Institute of Company Secretaries and the Institute of Chartered Secretaries and Administrators. Ms. Tang obtained a master's degree in Applied Finance from University of Western Sydney in 2004, a master's degree in English for Professions from The Hong Kong Polytechnic University in 2002, and a bachelor's degree in Accountancy from The Hong Kong Polytechnic University in 1995. Ms. Tang has over 20 years of experience in accounting, tax, audit, company secretarial and finance. From 1995 to 2004, Ms. Tang worked in leading accounting firms, handling various matters of accounting, tax and audit matters. Since 2005, Ms. Tang began her own business by establishing a private company in Hong Kong to provide accounting, management consultancy, tax planning and company secretarial services.

Ms. Tang was re-elected as an executive Director on 4 June 2019 for a fixed term of three years. Upon her re-election, the terms of her appointment shall remain valid. She is entitled to a director's remuneration of approximately RMB60,000 per year, which is determined with reference to Ms. Tang's qualification, experience, performance and market rates.

Ms. Guo Ying (郭滢), aged 41, joined the Group on 19 July 2017 and was appointed as an independent non-executive Director on 19 July 2017. Ms. Guo is also a member of the nomination committee and audit committee, and the chairman of the remuneration committee of the Board. Ms. Guo gained the bachelor's degree in finance from Hubei University (湖北大學) in 2002, received full time education in finance at Saint Mary's University (加拿大聖瑪麗大學) in 2005 and was granted a master degree in finance in 2007. Ms. Guo was a trader of Haitong Securities Co. Limited from 2002 to 2003, a sales trader of BOC International (China) Limited from 2008 to 2013, a trader of China International Capital Corporation (H.K.) Limited from 2015 to 2016, and has been the head of trading of Harmony Capital Group Limited since November 2016.

LETTER FROM THE BOARD

Ms. Guo was re-elected as an independent non-executive Director on 29 June 2020 for a fixed term of three years. Upon her re-election, the terms of her appointment shall remain valid. She is entitled to a director's remuneration of approximately RMB60,000 per year, which is determined with reference to Ms. Guo's qualification, experience, performance and market rates.

Ms. Guo Ying, being independent non-executive Director of the Company, has served the Board since 19 July 2017 and has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules to the Company. The nomination committee has assessed the independence of Ms. Guo Ying and also considered her background, skills, knowledge and experience having regard to the objective criteria (including but not limited to gender, age, ethnicity, cultural and educational background, professional skills, career experience, management level and service tenure) as set out in the board diversity policy of the Company, her respective contributions to the Board and commitment to her role.

The Board considers that Ms. Guo Ying has extensive experience in different fields and professional skills that are relevant to the Company's business. In addition, her education, background, experience and practice allow her to provide valuable and relevant insights and contribute to the diversity of the Board.

Save as disclosed hereof, as at the Latest Practicable Date, and to the best knowledge and belief of the Board, the Directors confirmed that:

- (a) each of Ms. Zheng Fei, Ms. Tang Lo Nar and Ms. Guo Ying is not connected with any Director, senior management, substantial Shareholder or controlling Shareholder of the Company;
- (b) each of Ms. Zheng Fei, Ms. Tang Lo Nar and Ms. Guo Ying has no other interests in the Shares which are required to be disclosed under Part XV of the SFO;
- (c) each of Ms. Zheng Fei, Ms. Tang Lo Nar and Ms. Guo Ying does not hold any directorships in listed public companies in the last three years;
- (d) there is no other information that needs to be disclosed pursuant to any of the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules; and
- (e) the Company is not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Directors.

PROPOSED RE-APPOINTMENT OF AUDITOR

BDO Limited, which has audited the consolidated financial statements of the Company for the year ended 31 December 2021, will retire as the auditor of the Company at the Annual General Meeting and, being eligible, offer itself for re-appointment.

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The Board, upon the recommendation of the audit committee, proposed to re-appoint BDO Limited as the auditor of the Company and to hold office until the conclusion of the next annual general meeting of the Company and authorise the Board to fix its remuneration for the year ending 31 December 2022.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board has proposed to make certain amendments to the Articles of Association in order to, among others, (i) conform to the Core Shareholder Protection Standards as set out in Appendix 3 to the Listing Rules; (ii) comply with the applicable laws of the Cayman Islands; and (iii) improve housekeeping standards.

The major Proposed Amendments in the Articles are summarised as follows:

- (a) to update the definition of the “Companies Law” to bring it in line with the latest Companies Act of the Cayman Islands and to update relevant provisions in the Articles in this regard;
- (b) to provide that an annual general meeting of the Company shall be held in each financial year and such annual general meeting must be held within six months after the end of the Company’s financial year;
- (c) to allow meetings of Shareholders to be held by means of telephone, electronic or other communication facilities as to permit all participants to communicate with each other simultaneously and instantaneously;
- (d) to provide for Shareholders right to speak and vote at a general meeting except where a Shareholder is required by the Listing Rules to abstain from voting to approve the matter under consideration;
- (e) to provide that any person appointed by the Directors to fill a casual vacancy on or as an addition to the Board shall hold office only until the first annual general meeting of the Company after his appointment, and shall then be eligible for re-election;
- (f) to provide that Shareholders may at any general meeting remove the auditor by ordinary resolution at any time before the expiration of his term;
- (g) to provide that the financial year end of the Company shall be 31 of December in each year, unless otherwise determined by the Directors; and
- (h) to make other amendments to update or clarify provisions where the Board considers appropriate in accordance with or to better align with the wording in the applicable laws of the Cayman Islands and the Listing Rules.

LETTER FROM THE BOARD

The Board believes that the Proposed Amendments are in the interests of the Company and its Shareholders as a whole. Details of the Proposed Amendments are set out in Appendix II to this circular.

The legal advisers of the Company have confirmed that the Proposed Amendments conform with the requirements of the Listing Rules and the laws of the Cayman Islands. In addition, the Board confirmed that there is nothing unusual about the Proposed Amendments for a company listed in Hong Kong.

The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting.

PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

As the Previous Share Option Scheme expired on 8 June 2021, the Board proposed to adopt the New Share Option Scheme to enable the Company to grant options to Eligible Participants to incentivize or reward them for their contribution to the long term growth of the Group and to motivate them to optimize their performance efficiency for the benefit of the Group. An ordinary resolution will be proposed at the Annual General Meeting for approving the adoption of the New Share Option Scheme. So far as the Directors are aware of, as at the Latest Practicable Date, none of the Shareholders is required to abstain from voting for the said resolution. The New Share Option Scheme will become effective after all the conditions precedent as referred to under the paragraph headed “Conditions Precedent of the New Share Option Scheme” in this circular have been fulfilled. As at the Latest Practicable Date, the Company has no current plan or intention to grant options to any Eligible Participants in the coming 12 months under the New Share Option Scheme.

Under the rules of the New Share Option Scheme, the Board may offer to grant option(s) to subscribe for such number of Shares to any Eligible Participant as the Board may from time to time in its discretion determine on a case by case basis. The Company believes that the authority given to the Board to select the appropriate participants and to specify the terms and conditions in respect of any options that may be granted, including but not limited to the minimum holding period, performance targets and/or subscription price for such options, will serve to protect the value of the Company as well as achieve the purposes of retaining and motivating the participants to contribute to the development and growth of the Group for the benefit of the Shareholders. Accordingly, the Directors consider that it is in the interest of the Company to adopt the New Share Option Scheme.

The New Share Option Scheme will be administered by the Board. None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such trustee (if any). With respect to the operation of the New Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

No share options have been granted under the Previous Share Option Scheme since it became effective. As at the Latest Practicable Date, no options under the Previous Share Option Scheme were outstanding.

LETTER FROM THE BOARD

The Directors consider that it is not appropriate to state the value of all the options that can be granted under the New Share Option Scheme as if they had been granted on the Latest Practicable Date, given that the variables which are crucial for the calculation of the value of such options cannot be determined. The variables which are crucial for the determination of the value of such options include the subscription price for the Shares to be issued upon the exercise of the options, the timing of the grant of such options and whether or not such options, if granted, will be exercised by the Grantees. Thus, the Directors are of the view that the value of the options that can be granted pursuant to the New Share Option Scheme depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical bases and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the options will not be meaningful and may be misleading to the Shareholders in the circumstances.

Subject to obtaining approval from the Shareholders with respect to the adoption of the New Share Option Scheme, the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other schemes must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date unless the Company obtains a fresh approval from Shareholders to refresh the 10% limit, provided that, inter alia, the maximum number of Shares in respect of which options may be granted under the New Share Option Scheme together with any options outstanding and yet to be exercised under the New Share Option Scheme and any other schemes must not exceed 30% of the Shares in issue from time to time.

As at the Latest Practicable Date, there were a total of 650,000,000 Shares in issue. Assuming that there is no change in the total number of Shares in issue between the period from the Latest Practicable Date and up to the Adoption Date, the maximum number of Shares which may be issued upon exercise of all options which may be granted pursuant to the New Share Option Scheme and any other schemes of the Company will be 65,000,000 Shares, representing 10% of the total number of Shares in issue as at the Adoption Date. The Company may seek separate approval by its Shareholders to renew the 10% limit on the basis that the maximum aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other schemes of the Company shall not exceed 30% of Shares in issue from time to time.

Conditions Precedent of the New Share Option Scheme

The New Share Option Scheme shall be subject to the satisfaction of the following conditions:

- (i) the passing by the Shareholders of an ordinary resolution at the Annual General Meeting to approve the adoption of the New Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any Share which may be allotted and issued upon the exercise of options which may be granted under the New Share Option Scheme.

LETTER FROM THE BOARD

An application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the options granted under the New Share Option Scheme.

A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. A copy of the New Share Option Scheme will be published on the websites of the Stock Exchange and the Company from 2 June 2022 and up to and including the date of the Annual General Meeting, and will also be available for inspection at the Annual General Meeting. The terms of the New Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

GENERAL INFORMATION

The notice of the Annual General Meeting is set out on pages 51 to 56 of this circular. A form of proxy for the Annual General Meeting is enclosed herewith.

To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with power of attorney or other authority (if any) under which it is signed or a 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 practicable but in any event no later than 48 hours before the time for holding the Annual General Meeting (i.e. not later than 2:00 p.m. on Tuesday, 14 June 2022). Completion and delivery of the form of proxy will not prevent you from attending and voting at the Annual General Meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.

VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The chairman of the Annual General Meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting pursuant to Article 66 of the Articles of Association.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 13 June 2022 to Thursday, 16 June 2022, both days inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's 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 not later than 4:30 p.m. on Friday, 10 June 2022 for registration.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the resolutions proposed in the notice of the Annual General Meeting are fair and reasonable and in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

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.

Yours faithfully,
For and on behalf of the Board of
Shuanghua Holdings Limited
Zheng Ping
Chairman

This Appendix serves as an explanatory statement given to all the Shareholders, as required by the Listing Rules, to provide all the requisite information in relation to the Repurchase Mandate.

1. LISTING RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares subject to certain restrictions, the more important of which are summarised below:

(a) Share capital

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolutions granting the Repurchase Mandate. The Company's authority to repurchase is restricted in accordance with the Listing Rules. As at the Latest Practicable Date, there were in issue an aggregate of 650,000,000 Shares. Exercise in full of the Repurchase Mandate, on the basis that no further Shares would be issued or repurchased prior to the date of the Annual General Meeting, would accordingly result in up to 65,000,000 Shares being repurchased by the Company. The Shares repurchased by the Company shall, subject to applicable law, be automatically cancelled upon such repurchase.

(b) Funding of repurchase

Repurchase of the Shares will be funded out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands.

The Company is empowered by the Articles of Association to repurchase its Shares. The Cayman Islands laws provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on redemption may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. Under the Cayman Islands laws, the repurchased Shares will remain part of the authorised but unissued share capital.

(c) Reasons for repurchase

The Directors believe that it is in the interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase shares of the Company on the market. The Repurchase Mandate may, depending on 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 repurchases of Shares will benefit the Company and the Shareholders.

As compared with the position of the Company in its financial statements for the year ended 31 December 2021, being the date of its latest audited consolidated accounts, the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be made in full during the proposed repurchase period.

The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

(d) Directors, their close associates and core connected persons

None of the Directors nor, to the best of the knowledge of the Directors having made all reasonable enquiries, any of their close associates has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

As at the Latest Practicable Date, no core connected person of the Company has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Repurchase Mandate is granted.

(e) Undertaking of the Directors

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

(f) Effect of the Takeovers Code

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, 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 interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the register of the Shareholders maintained by the Company pursuant to Section 336 under Part XV of the SFO showed that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital:

Name of shareholder	Nature of interest	Total number of Shares held	Approximate percentage of shareholding as at the Latest Practicable Date	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Youshen Group ⁽²⁾	Beneficial owner	282,750,000	43.5%	48.3%
Mr. Zheng Ping ⁽¹⁾	Interest in a controlled corporation	282,750,000	43.5%	48.3%
Ms. Kong Xiaoling ⁽¹⁾	Interest of spouse	282,750,000	43.5%	48.3%
Ms. Zhou Shuxian	Beneficial owner	120,160,000	18.5%	20.5%
Mr. Xu Zonglin	Beneficial owner	59,144,000	9.1%	10.1%

Notes:

1. Mr. Zheng Ping is an executive Director and Ms. Kong Xiaoling is a non-executive Director. Ms. Kong Xiaoling is the spouse of Mr. Zheng Ping and is deemed to be interested in the 282,750,000 Shares held by Youshen Group, which is wholly-owned by Mr. Zheng Ping.
2. Mr. Zheng Ping is interested in 100% equity interest in Youshen Group and he is deemed to be interested in the 282,750,000 Shares held by Youshen Group.

In the event that the Directors shall exercise in full the Repurchase Mandate and assuming that no Shares are issued or repurchased between the Latest Practicable Date and the date of repurchase, the total interests of the above substantial Shareholders would be increased to approximately the respective percentages shown in the last column above. Such increases will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code and will not reduce the amount of Shares held by the public to be less than 25%. The Directors have no current intention to exercise the Repurchase Mandate to such extent as would give rise to an obligation to make a mandatory offer under Rules 26 of the Takeovers Code.

2. SHARE PURCHASE MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Shares during the previous six months immediately preceding the Latest Practicable Date.

3. SHARE PRICES

The highest and lowest share prices at which the Shares traded on the Stock Exchange during each of the previous twelve months immediately preceding the Latest Practicable Date were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
April	0.119	0.084
May	0.117	0.095
June	0.105	0.089
July	0.143	0.090
August	0.149	0.132
September	0.149	0.135
October	0.154	0.135
November	0.148	0.122
December	0.128	0.121
2022		
January	0.135	0.110
February	0.105	0.096
March	0.098	0.080
April (up to the Latest Practicable Date)	0.081	0.079

Note: The information on the price per Share is extracted from the official website of the Stock Exchange.

The existing Amended and Restated Articles of Association of the Company be and are hereby amended as follows:

Existing Articles of Association	Amended Articles of Association
General	General
“Law”	“LawAct”
Article 2(1)	Article 2(1)
n/a	“Act” the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands.
“associate” has the meaning attributed to it in the rules of the Designated Stock Exchange.	“associate” has the meaning attributed to it in the rules of the Designated Stock Exchange.
“business day” shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.	“business day” shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.
n/a	“close associate” in relation to any Director, shall have the same meaning as defined in the rules of the Designated Stock Exchange (the “Listing Rules”) as modified from time to time, except that for purposes of Article 100 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.
“Law” The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.	“Law” The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.
“ordinary resolution” a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorized representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59;	“ordinary resolution” a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorized representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59;

Existing Articles of Association	Amended Articles of Association
<p>“Subsidiary and Holding Company” has the meaning attributed to them in the rules of the Designated Stock Exchange.</p> <p>n/a</p>	<p>“Subsidiary and Holding Company” has the meaning attributed to them in the rules of the Designated Stock Exchange.</p> <p>“substantial shareholder” a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the Designated Stock Exchange from time to time) of the voting power at any general meeting of the Company.</p>
<p>Article 2(2)(i)</p> <p>Section 8 of the Electronic Transactions Law (2003) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles.</p>	<p>Article 2(2)(i)</p> <p>Section 8 and Section 19 of the Electronic Transactions Law Act (2003) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles.</p>
<p>Article 3</p> <p>(3) Subject to compliance with the rules and regulations of the Designated Stock Exchange and any other relevant regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.</p> <p>(4) No share shall be issued to bearer.</p>	<p>Article 3</p> <p>(3) Subject to compliance with the rules and regulations of the Designated Stock Exchange and any other relevant competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.</p> <p>(4) The Board may accept the surrender for no consideration of any fully paid share.</p> <p>(4) No share shall be issued to bearer.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 8</p> <p>(1) Subject to the provisions of the Law and the Company’s Memorandum and Articles of Association and to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Board may determine.</p> <p>(2) Subject to the provisions of the Law, the rules of any Designated Stock Exchange and the Memorandum and Articles of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.</p>	<p>Article 8</p> <p>(1) Subject to the provisions of the Law Act and the Company’s Memorandum and Articles of Association and to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Board may determine.</p> <p>(2) Subject to the provisions of the Law, the rules of any Designated Stock Exchange and the Memorandum and Articles of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.</p>
<p>Article 9</p> <p>Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.</p>	<p>Article 9</p> <p>Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.</p> <p>Subject to the provisions of the Act, the rules of any Designated Stock Exchange and the Memorandum and Articles of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 12(1)</p> <p>Subject to the Law, these Articles, any direction that may be given by the Company in general meeting and, where applicable, the rules of any Designated Stock Exchange and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.</p>	<p>Article 12(1)</p> <p>Subject to the LawAct, these Articles, any direction that may be given by the Company in general meeting and, where applicable, the rules of any Designated Stock Exchange and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.</p>
<p>Article 16</p> <p>Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.</p>	<p>Article 16</p> <p>Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. The seal of the Company may only be affixed or imprinted to a share certificate with the authority of the Directors, or be executed under the signature of appropriate officials with statutory authority, unless otherwise determined by the Directors. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 44</p> <p>The Register and branch register of Members, as the case may be, shall be open to inspection for at least two (2) hours on every business day by Members without charge or by any other person, upon a maximum payment of \$2.50 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the Law or, if appropriate, upon a maximum payment of \$1.00 or such lesser sum specified by the Board at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.</p>	<p>Article 44</p> <p>The Register and branch register of Members, as the case may be, shall be open to inspection for at least two (2) hours on everyduring business dayhours by Members without charge or by any other person, upon a maximum payment of \$2.50 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the Act or, if appropriate, upon a maximum payment of \$1.00 or such lesser sum specified by the Board at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.</p>
<p>Article 45</p> <p>Notwithstanding any other provisions of these Articles the Company or the Directors may fix any date as the record date for:</p> <p>(a) determining the Members entitled to receive any dividend, distribution, allotment or issue and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;</p> <p>(b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.</p>	<p>Article 45</p> <p>Subject to the rules of any Designated Stock Exchange, Notwithstanding any other provisions of these Articles the Company or the Directors may fix any date as the record date for:</p> <p>(a) determining the Members entitled to receive any dividend, distribution, allotment or issue and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;</p> <p>(b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 46</p> <p>Subject to these Articles, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.</p>	<p>Article 46</p> <p>(1) Subject to these Articles, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.</p> <p>(2) Notwithstanding the provisions of subparagraph (1) above, for so long as any shares are listed on the Designated Stock Exchange, titles to such listed shares may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the Designated Stock Exchange that are or shall be applicable to such listed shares. The register of members of the Company in respect of its listed shares (whether the Register or a branch register) may be kept by recording the particulars required by Section 40 of the Act in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the Designated Stock Exchange that are or shall be applicable to such listed shares.</p>
<p>Article 51</p> <p>The registration of transfers of shares or of any class of shares may, after notice has been given by advertisement in any newspapers or by any other means in accordance with the requirements of any Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.</p>	<p>Article 51</p> <p>The registration of transfers of shares or of any class of shares may, after notice has been given by advertisement in any newspapers or by any other means in accordance with the requirements of any Designated Stock Exchange or by electronic means or other means in such manner as may be accepted by the Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 56</p> <p>An annual general meeting of the Company shall be held in each year other than the year of the Company's adoption of these Articles (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or not more than eighteen (18) months after the date of adoption of these Articles, unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board.</p>	<p>Article 56</p> <p>An annual general meeting of the Company shall be held in each financial year other than the financial year of the Company's adoption of these Articles and such annual general meeting must be held within six (6) months after the end of the Company's financial year (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or not more than eighteen (18) months after the date of adoption of these Articles (unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board. A meeting of Members or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting.</p>
<p>Article 58</p> <p>The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the Principal Meeting Place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</p>	<p>Article 58</p> <p>The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the Principal Meeting Place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 59(1)</p> <p>An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business day. All other extraordinary general meetings may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice, subject to the Law, if it is so agreed:</p> <p>(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.</p>	<p>Article 59(1)</p> <p>An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business day. All other extraordinary general meetings (including an extraordinary general meeting) must may be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice, subject to the Law Act, if it is so agreed:</p> <p>(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding representing not less than ninety five per cent. (95%) in nominal value of the issued shares giving that right of the total voting rights at the meeting of all the Members.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 61(1)</p> <p>All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of:</p> <p>(a) the declaration and sanctioning of dividends;</p> <p>(b) consideration and adoption of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;</p> <p>(c) the election of Directors whether by rotation or otherwise in the place of those retiring;</p> <p>(d) appointment of Auditors (where special notice of the intention for such appointment is not required by the Law) and other officers;</p> <p>(e) the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors;</p> <p>(f) the granting of any mandate or authority to the Directors to offer, allot, grant options over or otherwise dispose of the unissued shares in the capital of the Company representing not more than twenty per cent. (20%) in nominal value of its existing issued share capital; and</p> <p>(g) the granting of any mandate or authority to the Directors to repurchase securities of the Company.</p>	<p>Article 61(1)</p> <p>All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of:</p> <p>(a) the declaration and sanctioning of dividends;</p> <p>(b) consideration and adoption of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;</p> <p>(c) the election of Directors whether by rotation or otherwise in the place of those retiring;</p> <p>(d) appointment of Auditors (where special notice of the intention for such appointment is not required by the Law-Act) and other officers; and</p> <p>(e) the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors,;</p> <p>(f) the granting of any mandate or authority to the Directors to offer, allot, grant options over or otherwise dispose of the unissued shares in the capital of the Company representing not more than twenty per cent. (20%) in nominal value of its existing issued share capital; and</p> <p>(g) the granting of any mandate or authority to the Directors to repurchase securities of the Company.</p>
<p>Article 61(2)</p> <p>No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative shall form a quorum for all purposes.</p>	<p>Article 61(2)</p> <p>No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person or by proxy or (in the case of a Member being a corporation) by its authorised representative or by proxy or, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy shall form a quorum for all purposes.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 63</p> <p>The chairman of the Company shall preside as chairman at every general meeting. If at any meeting the chairman, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy and entitled to vote shall elect one of their number to be chairman.</p>	<p>Article 63</p> <p>The chairman of the Company or if there is more than one chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them, elected by all the Directors present shall preside as chairman at everya general meeting. If at any meeting the no chairman, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the deputy chairman of the Company or if there is more than one deputy chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman. If no chairman or deputy chairman is present or is willing to act as chairman of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 66</p> <p>Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll.</p>	<p>Article 66</p> <p>(1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.</p> <p>(2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:</p> <p>(a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or</p>

Existing Articles of Association	Amended Articles of Association
	<p>(b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or</p> <p>(c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.</p> <p>A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.</p>
<p>Article 67</p> <p>The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.</p>	<p>Article 67</p> <p>Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 72(1)</p> <p>A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, <i>curator bonis</i> or other person in the nature of a receiver, committee or <i>curator bonis</i> appointed by such court, and such receiver, committee, <i>curator bonis</i> or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.</p>	<p>Article 72(1)</p> <p>A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, <i>curator bonis</i> or other person in the nature of a receiver, committee or <i>curator bonis</i> appointed by such court, and such receiver, committee, <i>curator bonis</i> or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.</p>
<p>Article 73</p> <p>(1) No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.</p> <p>(2) Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.</p>	<p>Article 73</p> <p>(1) No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.</p> <p>(2) All members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the rules of the Designated Stock Exchange, to abstain from voting to approve the matter under consideration.</p> <p>(23) Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 81(2)</p> <p>If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).</p>	<p>Article 81(2)</p> <p>If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including, where a show of hands is allowed, the right to vote individually on a show of hands.</p>
<p>Article 83(3)</p> <p>The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.</p>	<p>Article 83(3)</p> <p>The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 100(1)</p> <p>A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:</p> <p>(i) any contract or arrangement for the giving to such Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his close associate(s) or obligations incurred or undertaken by him or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;</p> <p>(ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;</p> <p>(iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;</p>	<p>Article 100(1)</p> <p>A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:</p> <p>(i) any contract or arrangement for the giving of any security or indemnity either:</p> <p>(a) to such the Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of his associate(s) them at the request of or for the benefit of the Company or any of its subsidiaries; or</p> <p>(ii) (b) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;</p> <p>(iii) any contract or arrangement proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;</p>

Existing Articles of Association	Amended Articles of Association
<p>(iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;</p> <p>(v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in five per cent. (5%) or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or</p> <p>(vi) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors or his associate(s) and to employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.</p>	<p>(iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;</p> <p>(v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in five per cent. (5%) or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or</p> <p>(viii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:</p> <p>(a) the adoption, modification or operation of a any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or</p> <p>(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to the Director, as his close associate(s) and to employee(s) of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally accorded to the class of persons to which such scheme or fund relates.;</p> <p>(iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 100(2), (3) and (4)</p> <p>(2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five per cent. (5%) or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in five per cent. (5%) or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.</p> <p>(3) Where a company in which a Director and/or his associate(s) holds five per cent. (5%) or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.</p> <p>(4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.</p>	<p>Article 100(2)</p> <p>(2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five per cent. (5%) or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in five per cent. (5%) or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.</p> <p>(3) Where a company in which a Director and/or his associate(s) holds five per cent. (5%) or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.</p> <p>(4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 101(4)</p> <p>Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force at the date of adoption of these Articles, and except as permitted under the Law, the Company shall not directly or indirectly:</p> <p>(i) make a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the rules, where applicable, of the Designated Stock Exchange);</p> <p>(ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or</p> <p>(iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.</p>	<p>Article 101(4)</p> <p>Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force at the date of adoption of these Articles, and except as permitted under the Law, the Company shall not directly or indirectly:</p> <p>(i) make a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the rules, where applicable, of the Designated Stock Exchange);</p> <p>(ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or</p> <p>(iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.</p> <p>The Company shall not make any loan, directly or indirectly, to a Director or his close associate(s) if and to the extent it would be prohibited by the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as if the Company were a company incorporated in Hong Kong.</p>
<p>Article 112</p> <p>A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by any Director.</p>	<p>Article 112</p> <p>A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board whenever he shall be required so to do by any Director. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by any Director.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 113(2)</p> <p>Directors may participate in any meeting of the Board by means of a conference telephone or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.</p>	<p>Article 113(2)</p> <p>Directors may participate in any meeting of the Board by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.</p>
<p>Article 115</p> <p>The Board may elect a chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting neither the chairman nor any deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.</p>	<p>Article 115</p> <p>The Board may elect aone or more chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting neither theno chairman noror any deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.</p>
<p>Article 119</p> <p>A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid.</p>	<p>Article 119</p> <p>A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 124(1) and (2)</p> <p>(1) The officers of the Company shall consist of a chairman, the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Law and these Articles.</p> <p>(2) The Directors shall, as soon as may be after each appointment or election of Directors, elect amongst the Directors a chairman and if more than one (1) Director is proposed for this office, the election to such office shall take place in such manner as the Directors may determine.</p>	<p>Article 124(1) and (2)</p> <p>(1) The officers of the Company shall consist of a at least one chairman, the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the LawAct and these Articles.</p> <p>(2) The Directors shall, as soon as may be after each appointment or election of Directors, elect amongst the Directors a chairman and if more than one (1) Director is proposed for this office, the election to such office shall take place Directors may elect more than one chairman in such manner as the Directors may determine.</p>
<p>Article 144</p> <p>The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and capital redemption reserve and the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Article, a share premium account and any capital redemption reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid.</p>	<p>Article 144</p> <p>(1) The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and capital redemption reserve and the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Article, a share premium account and any capital redemption reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid.</p>

Existing Articles of Association	Amended Articles of Association
	<p>(2) Notwithstanding any provisions in these Articles, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting.</p>
<p>Article 152(2)</p> <p>The Members may, at any general meeting convened and held in accordance with these Articles, by special resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>	<p>Article 152(2)</p> <p>The Members may, at any general meeting convened and held in accordance with these Articles, by specialordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 155</p> <p>If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.</p>	<p>Article 155</p> <p>If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed. The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Article may be fixed by the Board. Subject to Article 152(2), an Auditor appointed under this Article shall hold office until the next following annual general of the Company and shall then be subject to appointment by the Members under Article 152(1) at such remuneration to be determined by the Members under Article 154.</p>
<p>Article 161</p> <p>For the purposes of these Articles, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received.</p>	<p>Article 161</p> <p>For the purposes of these Articles, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any notice or document to be given by the Company may be written, printed or made electronically.</p>
<p>Article 162(1)</p> <p>The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.</p>	<p>Article 162(1)</p> <p>Subject to Article 162(2), tThe Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 163(3)</p> <p>In the event of winding-up of the Company in Hong Kong, every Member who is not for the time being in Hong Kong shall be bound, within fourteen (14) days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, orders and judgements in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee, whether appointed by the Member or the liquidator, shall be deemed to be good personal service on such Member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such Member by advertisement as he shall deem appropriate or by a registered letter sent through the post and addressed to such Member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.</p>	<p>Article 163(3)</p> <p>In the event of winding-up of the Company in Hong Kong, every Member who is not for the time being in Hong Kong shall be bound, within fourteen (14) days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, orders and judgements in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee, whether appointed by the Member or the liquidator, shall be deemed to be good personal service on such Member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such Member by advertisement as he shall deem appropriate or by a registered letter sent through the post and addressed to such Member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.</p>

Existing Articles of Association	Amended Articles of Association
<p>Article 164(1)</p> <p>The Directors, Secretary and other officers and every Auditor for the time being of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.</p>	<p>Article 164(1)</p> <p>The Directors, Secretary and other officers and every Auditor for the time being of the Company at any time, whether at present or in the past, and the liquidator or trustees (if any) for the time being acting or who have acted in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.</p>
<p>Article 165</p> <p>n/a</p>	<p>Article 165</p> <p><u>FINANCIAL YEAR</u></p> <p>Unless otherwise determined by the Directors, the financial year end of the Company shall be 31 of December in each year.</p>
<p>Article 165</p>	<p>Article 1656</p>
<p>Article 166</p>	<p>Article 1667</p>

This appendix summaries the principal terms of the New Share Option Scheme and does not form, nor is intended to be, part of the New Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the New Share Option Scheme.

NEW SHARE OPTION SCHEME

The following is a summary of the principal terms of the New Share Option Scheme proposed to be approved and adopted by ordinary resolution of the Shareholders at the Annual General Meeting.

1. PURPOSE OF THE SCHEME

The purpose of the New Share Option Scheme is to enable the Company to grant options to the Eligible Participants as incentives and/or rewards for their contribution to the Group.

2. WHO MAY JOIN

The Board may, at its discretion and subject to such conditions as it thinks fit, offer to grant options to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph 5 below to Eligible Participants.

3. MAXIMUM NUMBER OF SHARES

The maximum number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other scheme(s) of the Company must not exceed 10% of the total issued Shares. Options lapsed in accordance with the terms of such share option scheme(s) will not be counted for the purpose of the 10% limit.

Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

- (a) refresh this limit at any time up to 10% of the Shares in issue as at the date of the approval of the limit as refreshed by the Shareholders in general meeting (options previously granted under any share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised options) will not be counted for the purpose of calculating the limit as refreshed); and/or
- (b) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board whereupon the Company shall send a circular to the Shareholders containing, amongst others, a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose and such other information as required under the Listing Rules.

Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other scheme(s) of the Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded.

If the Company conducts a share consolidation or subdivision after the 10% limit has been approved in general meeting, the maximum number of Shares that may be issued upon exercise of all options to be granted under all of the share option schemes of the Company under the 10% limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the New Share Option Scheme and any other scheme(s) of the Company (including exercised, cancelled and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting with such Eligible Participant and his close associates (as defined in the Listing Rules) (or his associates if the Eligible Participant is a connected person (as defined in the Listing Rules)) abstaining from voting and other requirements prescribed under the Listing Rules from time to time.

5. SUBSCRIPTION PRICE OF SHARES AND CONSIDERATION FOR THE OPTION

The subscription price for a Share in respect of any particular option granted under the New Share Option Scheme (subject to adjustments referred to in paragraph 19) shall be such price as the Board in its absolute discretion shall determine, save that such price must not be less than the highest of (i) the official closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer to grant option; (ii) the average of the official closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the date of offer to grant option; and (iii) the nominal value of a Share.

Upon acceptance of the option, the grantee thereof shall pay HKD1.00 to the Company by way of consideration for the grant, which shall be received by the Company within such time as may be specified in the offer of grant of the option, being no later than 28 days from the offer date.

6. GRANT OF OPTION TO CONNECTED PERSONS

Any grant of options to a Director, chief executive or substantial Shareholder of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the relevant Eligible Participant who accepts the offer of the grant of an option in accordance with the rules of this New Share Option Scheme).

If the Board proposes to grant options to a substantial Shareholder or an independent non-executive Director of the Company or any of their respective associates which will result in the Shares issued and to be issued upon exercise of all options granted and to be granted (including options exercised, cancelled and outstanding) to such person under this New Share Option Scheme and the other schemes in the 12-month period up to and including the date of the offer of such grant:

- (a) representing in aggregate over 0.1%, or such other percentage as may from time to time be specified in the Listing Rules, of the Shares in issue on the date of the offer; and
- (b) having an aggregate value in excess of HKD5 million, based on the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of the offer, or such other amount as may from time to time be specified in the Listing Rules,

such further grant of options will be subject to, in addition to the approval of the independent non-executive directors of the Company as stated above, the issue of a circular by the Company and the approval of the Shareholders in general meeting on a poll at which the grantee, his associates and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favour at the general meeting and such other requirements prescribed under the Listing Rules from time to time.

The circular to be issued by the Company to its shareholders pursuant to paragraph 6 shall contain the following information:

- (a) the details of the number and terms (including the exercise price) of the options to be granted to each Eligible Participant, which must be fixed before the shareholders' meeting and the offer date (which shall be the date of the Board meeting at which the Board proposes to grant the proposed options to that Eligible Participant);
- (b) a recommendation from the independent non-executive directors of the Company (excluding any independent non-executive director who is the relevant Eligible Participant) to the independent shareholders as to voting;

- (c) the information required under Rules 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (d) the information required under Rule 2.17 of the Listing Rules.

7. RIGHTS ARE PERSONAL TO GRANTEE

The option is personal to the grantee and the grantee may not in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option or attempt to do so. Any breach of the foregoing shall entitle the Company to cancel any outstanding options or any part thereof granted to such grantee.

8. TIME OF ACCEPTANCE AND EXERCISE OF OPTION

There is no general requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The date of grant of any particular option is the date when the duplicate offer document constituting acceptance of the option duly signed by the grantee, together with a remittance in favour of the Company of HK\$1.00 by way of consideration is received by the Company, such date must be on or before the 28th day after the option is offered to the relevant grantee. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised more than 10 years from the date of grant. No option may be granted more than 10 years after the date of approval of the New Share Option Scheme. Subject to earlier termination by the Company in general meeting, the New Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date (the “**Scheme Period**”). After the Scheme Period, no further options shall be offered or granted but the provisions of the New Share Option Scheme shall in all other respects remain in full force and effect for any options granted prior thereto.

9. PERFORMANCE TARGETS

The Board has the discretion to require a particular grantee to achieve certain performance targets specified at the time of grant before any option granted under the New Share Option Scheme can be exercised.

10. RANKING OF SHARES

No dividends shall be payable in relation to Shares that are the subject of options that have not been exercised. The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or such other person nominated by the grantee) as the holder thereof. Subject as aforesaid, the Shares to be allotted and issued upon the exercise of an option shall be subject to all the provisions of the constitutional documents of the Company and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to the fully-paid Shares in issue on the date of issue, in particular but without prejudice to the generality of the foregoing, in respect of voting, transfer and other rights, including those arising on liquidation of the Company and rights in respect of any dividend or other distribution paid or made on or after the relevant date of issue.

11. RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

For so long as the Shares are listed on the Stock Exchange, an offer to grant option may not be made after inside information has come to its knowledge until (and including) the trading day after it has announced the information. In particular, no options may be offered to be granted during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to announce its results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the actual date of publication of the results announcement.

12. RIGHTS ON CEASING EMPLOYMENT

If the grantee of an option ceases to be an Eligible Participant for any reason other than death, ill-health, injury, disability or termination of his employment with the Company and/or any of the subsidiaries or for serious misconduct or other grounds referred to in subparagraphs 13 or 14 below before the vesting and/or exercising his option in full, the option (to the extent not already exercised) will lapse on the date of cessation, which date shall be the last day on which the grantee was actually at work with the Group whether salary is paid in lieu of notice or not.

13. RIGHTS ON DEATH, ILL-HEALTH, DISABILITY OR RETIREMENT

If the grantee of an option ceases to be an Eligible Participant by reason of death, ill-health, injury or disability, the grantee, or, as appropriate, his personal representative(s) may exercise the option in full (to the extent not already exercised) within a period of 12 months (or such longer period as the Board may determine) following the date of cessation or death.

14. RIGHTS ON DISMISSAL

If the grantee of an option ceases to be an Eligible Participant by reason of termination of his relationship with the Company and/or any of the subsidiaries on the grounds that he has been guilty of serious misconduct, or has been convicted of any criminal offence involving his integrity or honesty or in relation to an employee of the Group (if so determined by the Board) or any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group, his option (to the extent not already vested and/or exercised) will lapse automatically and will not in any event be exercisable on the date of cessation.

15. RIGHTS ON GENERAL OFFER

If a general offer (whether by way of take-over offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror), the Company shall use its best endeavours to procure that such offer is extended to all the grantees (on the same terms mutatis mutandis, and assuming that they shall become, by the exercise in full of the options granted to them, Shareholders). If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional or such scheme of arrangement is formally proposed to the shareholders of the Company, the Grantee (or his legal personal representative(s)) shall be entitled to exercise, by notice in writing to the Company, his option in full (to the extent not already exercised) at any time within 21 days after the date on which such general offer becomes or is declared unconditional.

16. RIGHTS ON COMPROMISE OR ARRANGEMENT

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with the scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all grantees on the same day as it despatches to members and/or creditors of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each grantee (or his personal representatives) may at any time thereafter but before such time as shall be notified by the Company exercise any of his options whether in full or in part, but the exercise of an option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavour to procure that the Shares issued as a result of the exercise of options in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms

as may be approved by such court) the rights of the grantees to exercise their respective options shall with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss damage sustained by any grantee as a result of the aforesaid suspension.

17. RIGHTS ON WINDING-UP

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 the grantee and the grantee may by notice in writing to the Company (such notice to be received by the Company not later than 4 trading days prior to the proposed Shareholders' meeting) exercise the option (to the extent not already exercised) either to its full extent or to the extent specified in such notice and the Company shall as soon as possible and in any event no later than the day immediately prior to the date of the proposed Shareholders' meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise.

18. LAPSE OF OPTION

An option will lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry of the period referred to in paragraph 8;
- (b) the expiry of the periods or dates referred to in paragraph 12, 13, 14, 15, 16 and 17;
- (c) the date of commencement of the winding-up of the Company; and
- (d) the date on which the Board shall exercise the Company's right to cancel the option at any time after the grantee commits a breach of the prohibitions specified in paragraph 7 above or the options are cancelled in accordance with paragraph 20 below.

19. EFFECT OF CAPITAL RESTRUCTURING

In the event of a capitalisation issue, rights issue, sub-division, consolidation of shares or reduction of the capital of the Company, such corresponding alterations (if any) shall be made (except on an issue of securities of the Company as consideration in a transaction which shall not be regarded as circumstances requiring alteration or adjustment) in (i) the number of Shares subject to any outstanding options and/or (ii) the exercise price as the auditors or the approved independent financial adviser shall at the request of the Company or any grantee, certify in writing either generally or as regards any particular grantee, to be in their opinion fair and reasonable and satisfied the requirements under the Listing Rules, provided that any

such alterations shall be made on the basis that a grantee shall have the same proportion of the equity capital of the Company (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes (“**Supplemental Guidance**”) as that to which he was entitled to subscribe had he exercised all the options held by him immediately before such adjustments and the aggregate exercise price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event and that no such alterations shall be made if the effect of such alterations would be to enable a Share to be issued at less than its nominal value. Any adjustment to be made will comply with the Listing Rules, the Supplemental Guidance and any guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

20. CANCELLATION OF OPTIONS

Any cancellation of options granted but not exercised can be cancelled by the Board but must be approved by the grantee of the relevant options in writing for the avoidance of doubt, such approval is not required in the event any option is cancelled pursuant to paragraph 7. Where the Company cancels options and issues new ones to the same grantee, the issue of such new options may only be made under the New Share Option Scheme with limits set out in paragraphs 3 and 4.

21. TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company may by resolution in general meeting or the Board may at any time resolve to terminate the New Share Option Scheme and in such event no further option shall be offered but the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior to the termination or otherwise as may be required in accordance with the provisions of this New Share Option Scheme. Details of the options granted, including options exercised or outstanding, under the New Share Option Scheme shall be disclosed in the circular to Shareholders seeking approval of the new scheme established after the termination of the New Share Option Scheme.

22. OTHERS

- (a) The New Share Option Scheme is conditional on (i) the passing of necessary resolution by the Shareholders to approve and adopt the New Share Option Scheme; and (ii) the Listing Committee granting approval of the listing of, and permission to deal in, on the Stock Exchange, the Shares which may fall to be issued pursuant to the exercise of any options which may be granted under the New Share Option Scheme.
- (b) Any alterations to the terms and conditions of the New Share Option Scheme which are of material nature or any change to the terms of the options granted must be approved by the Shareholders in general meeting. The amended terms of the New Share Option Scheme or the options shall comply with Chapter 17 of the Listing Rules.

- (c) The New Share Option Scheme shall in all respects be administered by the Board which (a) shall administer the New Share Option Scheme in accordance with its provisions and all applicable requirements of the Listing Rules and (b) may make such rules not being inconsistent with the terms and conditions of the New Share Option Scheme and the Listing Rules for the conduct of the New Share Option Scheme and the determination and terms of each entitlement under an option as the Board thinks fit.

- (d) The Company will disclose details of the options granted under the New Share Option Scheme in its annual and half-yearly reports in accordance with the Listing Rules in force from time to time.

NOTICE OF ANNUAL GENERAL MEETING



SHUANGHUA HOLDINGS LIMITED 雙樺控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1241)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Shuanghua Holdings Limited (the “**Company**”) will be held at 9/F, Tongsheng Building, 458 Fushan Road, Pudong District, Shanghai, the PRC on Thursday, 16 June 2022 at 2 p.m. for the following purposes:

AS ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2021 and the reports of the directors and auditor of the Company for the year ended 31 December 2021.
2. To re-appoint BDO Limited as auditor of the Company and to authorise the board of directors of the Company (the “**Board**”) to fix its remuneration.
3.
 - A. To re-elect Ms. Zheng Fei as an executive director of the Company;
 - B. To re-elect Ms. Tang Lo Nar as an executive director of the Company;
 - C. To re-elect Ms. Guo Ying as an independent non-executive director of the Company; and
 - D. To authorise the Board to fix the remuneration of the directors of the Company (the “**Director(s)**”).
4. To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:
 - A. “**THAT**
 - (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with the new shares in the capital of the Company or securities convertible into

NOTICE OF ANNUAL GENERAL MEETING

shares, options, warrants or similar rights to subscribe for shares or such convertible securities of the Company, and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers, 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/or options (including bonds, warrants and debentures convertible into shares of the Company) which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors during the Relevant Period (as defined hereinafter) pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Right Issue (as hereinafter defined); or (ii) the grant or exercise of any option under the option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or its subsidiaries and/or other eligible persons of shares or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly;
- (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 of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

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“**Right Issue**” means an offer of shares or other securities of the Company or an offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares of the Company or any class thereof whose name appear on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion 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, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).”

B. “THAT

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission 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 of the Stock Exchange or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;
- (b) the aggregate nominal amount of the shares of the Company to be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing 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 to be held; and

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- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

C. **“THAT**

conditional upon resolutions numbered 4A and 4B being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in the resolution numbered 4B shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the resolution numbered 4A above.”

- 5. **“THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the shares of the Company falling to be issued pursuant to the exercise of any options granted under the share option scheme (the **“New Share Option Scheme”**), a copy of which having been produced to this meeting marked **“A”** and initialed by the chairman of this meeting for the purpose of identification, the New Share Option Scheme be and is hereby approved and adopted as the share option scheme of the Company and that the Directors be and they are hereby authorised to approve any amendments to the rules of the New Share Option Scheme as may be acceptable or not objected to by the Stock Exchange, and at the Directors’ absolute discretion to grant options to subscribe for shares of the Company thereunder and to allot, issue and deal with shares of the Company pursuant to the exercise of options granted under the New Share Option Scheme and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give effect to the New Share Option Scheme.”

AS SPECIAL RESOLUTION

To consider as special business and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

6. **“THAT:**

- (a) the proposed amendments to the existing articles of association of the Company (the **“Proposed Amendments”**), details of which are set out in Appendix II to the circular of the Company dated 29 April 2022, be and are hereby approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the second amended and restated articles of association of the Company (the “**Second Amended and Restated Articles of Association**”), incorporating all the Proposed Amendments, a copy of which has been produced to this meeting and marked “B” and initialed by the chairman of this meeting for the purpose of identification, be and are hereby adopted, confirmed and approved as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company with effect from the close of this meeting; and
- (c) that any one director or officer of the Company be and is hereby authorised to do all things necessary to implement the adoption of the Second Amended and Restated Articles of Association.”

By the order of the Board
Shuanghua Holdings Limited
Zheng Ping
Chairman

Hong Kong, 29 April 2022

Registered Office:

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY-1111, Cayman Islands

Principal place of business in Hong Kong:

2/F, Eton Tower
8 Hysan Avenue
Causeway Bay
Hong Kong

Notes:

- (1) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person duly authorised to sign the same.
- (2) A member of the Company entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote on his/her behalf. A proxy need not be a member of the Company but must attend the annual general meeting to represent the member.
- (3) In order to be valid, the form of proxy must be deposited with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong together with any power of attorney or other authority, under which it is signed, or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting (i.e. not later than 2:00 p.m. on Tuesday, 14 June 2022).
- (4) In the case of joint holders of any shares in the Company, any one of such joint holders may vote at the annual general meeting, either in person or by proxy, in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, the vote of the senior holder who tenders a vote either in person or by proxy, will be accepted to the exclusion of the votes of the other joint registered holders.

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- (5) Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (6) The register of members of the Company will be closed from Monday, 13 June 2022 to Thursday, 16 June 2022, both days inclusive, for the purpose of determining entitlement of the Company's shareholders to attend and vote at the annual general meeting. During this period, no share transfer will be registered. In order to qualify for attending and voting at the annual general meeting, all completed share transfer forms, accompanied by the relevant certificates, must be lodged with the Company's Hong Kong branch share registrar, 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 Friday, 10 June 2022.

As at the date of this notice, the Board consists of three executive Directors, Mr. Zheng Ping, Ms. Zheng Fei and Ms. Tang Lo Nar, one non-executive Director, Ms. Kong Xiaoling, and three independent non-executive Directors, Ms. Guo Ying, Mr. He Binhui and Mr. Chen Lifan.