
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Changmao Biochemical Engineering Company Limited***, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purposes of giving information with regard to Changmao Biochemical Engineering Company Limited. 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 in this circular misleading.*



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 954)

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice convening the EGM to be held at 10:00 a.m. on Tuesday, 20 September 2022 at Room 54, 5/F, New Henry House, 10 Ice House Street, Central, Hong Kong are set out on pages 9 to 10 of this circular.

Proxy form for use at the EGM are enclosed and are also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cmbec.com.hk).

Whether or not you are able to attend the EGM, you are advised to complete the enclosed proxy form in accordance with the instructions printed thereon and return it, in the case of holders of Domestic Shares and Foreign Shares, to the principal place of business of the Company in Hong Kong at Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong, and, in the case of holders of H Shares, to the Company's H Share registrar, being Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as practicable and in any event no later than 24 hours before the time appointed for the holding of the EGM.

Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjourned meetings thereof should you so wish.

This circular will be published on the Stock Exchange's website at www.hkexnews.hk and on the Company's website at www.cmbec.com.hk.

* For identification purpose only

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the meanings as set out below:

“Articles Amendments”	the amendments proposed to be made to the Articles of Association, details of which are set out in the paragraph headed “2. AMENDMENTS TO THE ARTICLES OF ASSOCIATION” in this circular
“Articles of Association”	the articles of association of the Company prevailing from time to time
“EGM”	the extraordinary general meeting of the Company to be held on Tuesday, 20 September 2022 at 10:00 a.m. at Room 54, 5/F, New Henry House, 10 Ice House Street, Central, Hong Kong, notice of which is set out on pages 9 to 10 of this circular
“Board”	the board of Directors
“Company”	常茂生物化學工程股份有限公司 (Changmao Biochemical Engineering Company Limited*), a joint stock limited company incorporated in the PRC with the H Shares currently listed on the Stock Exchange (stock code: 954)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) with a par value of RMB0.10 each in the capital of the Company which is (are) subscribed for in RMB by PRC citizens and/or entities
“Foreign Share(s)”	ordinary share(s) with a par value of RMB0.10 each in the capital of the Company which is (are) subscribed for in a currency other than RMB by non-PRC citizens and/or entities
“H Share(s)”	ordinary share(s) in the capital of the Company which is (are) subscribed for and traded in HK\$ and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	25 August 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein

* For identification purpose only

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	collectively, Domestic Share(s), Foreign Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time or otherwise modified

LETTER FROM THE BOARD



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 954)

Executive Directors:

Mr. Rui Xin Sheng (*Chairman*)
Mr. Pan Chun

Non-executive Directors:

Mr. Zeng Xian Biao
Mr. Yu Xiao Ping
Ms. Leng Yi Xin
Mr. Wang Jian Ping

Independent non-executive Directors:

Mr. Zhou Zhi Wei
Mr. Shu Rong Xin
Ms. Cheng Mun Wah

Head office and legal address:

No. 1228 Chang Jiang Bei Road
New North Zone
Changzhou City
Jiangsu Province, 213034
The PRC

*Principal place of business
in Hong Kong:*

Room 54, 5th Floor
New Henry House
10 Ice House Street
Central
Hong Kong

29 August 2022

To the Shareholders

Dear Sir/Madam

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the EGM and information regarding resolutions to be proposed at the EGM in relation to the proposed amendments to the Articles of Association and the appointment of independent non-executive Director.

* For identification purpose only

LETTER FROM THE BOARD

2. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the circular dated 21 April 2022 issued by the Company, containing among others, the amendment of the business scope specified in the Articles of Association after the Company's Changzhou plant has stopped producing maleic anhydride. In response to the requirements of the State Administration for Market Regulation, the Company is required to further amend the articles in the Articles of Association. The Directors confirm that the actual principal business of the Group will remain unchanged.

The Articles Amendments are as follows (insertions are underlined while deletions are crossed-out):

Original Article <i>(Note)</i>	Amended Article
<p>Article 12</p> <p>The principal business scope of the Company is: dangerous chemicals (according to the operating scope of production licence), food additives (according to the operating scope of production licence), pharmaceutical adjuvants (according to the operating scope of production licence), chemical products (nonhazardous chemicals), pharmaceutical intermediaries, bio-chemical products, active pharmaceutical ingredients (according to the operating scope of production licence), feed additives, additive premixed feeds (according to the operating scope of production licence), nutraceutical products, biological products, new materials, the development, production, processing and sales of the above products. The import and export of all types of goods and techniques by itself or as an agent, other than those restricted from being operated or prohibited from being imported or exported by the State. (Subject to the approval of the Administration for Industry and Commerce; business activities which are subject to approval according to the laws may commence only after obtaining approval from the relevant authorities).</p>	<p>Article 12</p> <p>The principal business scope of the Company is: dangerous chemicals (according to the operating scope of production licence), food additives (according to the operating scope of production licence), pharmaceutical adjuvants (according to the operating scope of production licence), chemical products (nonhazardous chemicals), pharmaceutical intermediaries, bio-chemical products, active pharmaceutical ingredients (according to the operating scope of production licence), feed additives, additive premixed feeds (according to the operating scope of production licence), nutraceutical products, biological products, new materials, the development, production, processing and sales of the above products. The import and export of all types of goods and techniques by itself or as an agent, other than those restricted from being operated or prohibited from being imported or exported by the State. (Subject to the approval of the Administration for Industry and Commerce; business activities which are subject to approval according to the laws may commence only after obtaining approval from the relevant authorities).</p>

LETTER FROM THE BOARD

Original Article <i>(Note)</i>	Amended Article
	<p><u>Licensed activities: Production of food; production of food additives; production of health food; production of pharmaceuticals; production of feed additives; production of feeds; production of new chemical substances; sales of food; hazardous chemicals business. (Activities are subject to approval in accordance with the law, only business activities after being approved by the relevant departments can be carried out. The specific business activities are subject to the approval documents or licenses from the relevant departments.)</u></p> <p><u>General activities: Manufacturing of basic chemical raw materials (excluding the manufacturing of hazardous chemicals and other licensed chemicals); manufacturing of synthetic materials (excluding hazardous chemicals); manufacturing of new building materials (excluding hazardous chemicals); manufacturing of special chemical products (excluding hazardous chemicals); production of chemical products (excluding licensed chemical products); sales of food additives; sales of health food (pre-packaged); sales of feed additives; sales of feed raw materials; sales of chemical products (excluding licensed chemical products); sales of special chemical products (excluding hazardous chemicals); industrial enzyme preparation research and development; biological feed research and development; biochemical product technology research and development; new material technology research and development; natural scientific research and experimental development; new material technology promotion services; technology promotion services. (Except for the activities that subject to approval in accordance with the law, the business activities shall be carried out autonomously according to the law with the business license)</u></p>

Note: As the amendments to Article 12 of the Articles of Association (the “**Amendments**”) passed at the Annual General Meeting on 25 May 2022 did not obtain any required approval or endorsement from or registration with the relevant regulatory authorities in the PRC, therefore, the original article did not contain the Amendments.

LETTER FROM THE BOARD

Save for the above amendments, the other articles in the existing Articles of Association will remain unchanged.

Shareholders should note that the Articles of Association are available only in Chinese. The English translation provided is for reference only. In case of any inconsistency, the Chinese version shall prevail.

A special resolution in relation to the Articles Amendments will be proposed at the EGM for the approval by the Shareholders. The Articles Amendments are conditional upon obtaining (i) the Shareholders' approval at the EGM; and (ii) any required approval or endorsement from or registration with the relevant regulatory authorities in the PRC.

3. APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Reference is made to the announcement issued by the Company dated 30 June 2022 in relation to the appointment of Ms. Cheng Mun Wah (鄭敏華女士) (“**Ms. Cheng**”) as an independent non-executive Director, chairman of the audit committee, member of the remuneration committee and the nomination committee of the Company which was effective from 1 July 2022. The State Administration for Market Regulation has requested the Company to pass a resolution in a general meeting to approve, ratify and confirm the appointment of Ms. Cheng in order to register such change. The terms of the appointment of Ms. Cheng will be extended to 17 June 2025, which will be the same as that of other Directors of the 8th session of the Board. Accordingly, an ordinary resolution will be proposed at the EGM.

The biography of Ms. Cheng is set out below:

Ms. Cheng Mun Wah, aged 60, has over 25 years of experience in the field of corporate finance and accounting in Hong Kong. Ms. Cheng holds a bachelor's degree of commerce from the University of Alberta in Canada. Ms. Cheng is currently a managing director of a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO. Ms. Cheng is a certified public accountant of The Hong Kong Institute of Certified Public Accountants and a fellow member of The Chartered Association of Certified Accountants.

Ms. Cheng has entered into a letter of appointment with the Company. The remuneration payable to Ms. Cheng is determined by the remuneration committee of the Company, with reference to her expected contribution of time, effort and expertise on the Company's matters. Ms. Cheng is entitled to an annual Director's fee of RMB80,000 per her term of office. Ms. Cheng has also been appointed as the chairman of the audit committee, and a member of the remuneration committee and the nomination committee of the Company effective from 1 July 2022.

As at the Latest Practicable date, Ms. Cheng (i) does not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; (ii) is not connected with the controlling shareholder, any Director, any Supervisor, or any senior management member or substantial shareholder of the Company; and (iii) does not hold any directorship in any other listed company in the last three years. Save as disclosed above, there is no other information relating to Ms. Cheng which needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or needs to be brought to the attention of the shareholders of the Company.

LETTER FROM THE BOARD

4. EGM

The EGM will be convened for the purpose of considering and, if thought fit, passing the special resolution in relation to the proposed amendments to the Articles of Association and the ordinary resolution in relation to the appointment of independent non-executive Director.

Notices convening the EGM to be held at 10:00 a.m. on Tuesday, 20 September 2022 at Room 54, 5/F, New Henry House, 10 Ice House Street, Central, Hong Kong are set out on pages 9 to 10 of this circular.

Proxy form for use at the EGM are enclosed and are also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cmbec.com.hk).

Whether or not you are able to attend the EGM, you are advised to complete the enclosed proxy form in accordance with the instructions printed thereon and return it, in the case of holders of Domestic Shares and Foreign Shares, to the principal place of business of the Company in Hong Kong at Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong, and, in the case of holders of H Shares, to the Company's H Share registrar, being Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as practicable and in any event no later than 24 hours before the time appointed for the holding of the EGM.

Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjourned meetings thereof should you so wish.

5. VOTING BY POLL

Pursuant to rule 13.39(4) of the Listing Rules, all votes at the EGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

6. CLOSURE OF REGISTER OF MEMBERS

Holders of H Shares are advised that the register of members of the Company will close from 14 September 2022 to 20 September 2022 (both days inclusive), during which time no transfer of H Shares will be effected and registered. Shareholders whose names appear on the register of members of the Company at the close of business on 13 September 2022 are entitled to attend the EGM. In order to qualify for attendance at the EGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's share registrar and transfer office for H Shares, Computershare Hong Kong Investor Services Limited, by 4:30 p.m. on 13 September 2022.

7. RECOMMENDATIONS

The Board considers that the proposed amendments to the Articles of Association and the appointment of independent non-executive Director are all in the best interest of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of all the resolutions set out in the notice of EGM.

By order of the Board
Changmao Biochemical Engineering Company Limited*
Rui Xin Sheng
Chairman

* *For identification purpose only*

NOTICE OF EXTRAORDINARY GENERAL MEETING



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 954)

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (“EGM”) of Changmao Biochemical Engineering Company Limited* (“Company”) will be held at 10:00 a.m. on Tuesday, 20 September 2022 at Room 54, 5/F, New Henry House, 10 Ice House Street, Central, Hong Kong for the following purposes:

1. AS SPECIAL RESOLUTION:

To consider and approve the resolution on the proposed amendments to the Articles of Association.

2. AS ORDINARY RESOLUTION:

To approve, ratify and confirm the appointment of Ms. Cheng Mun Wah as the independent non-executive Director for a term of from 1 July 2022 to 17 June 2025, and to authorise the Board to fix her remuneration.

By order of the Board
Rui Xin Sheng
Chairman

The PRC, 29 August 2022

Notes:

1. Holders of H Shares are advised that the register of members of the Company will close from 14 September 2022 to 20 September 2022 (both days inclusive), during which time no transfer of H Shares will be effected and registered. Shareholders whose names appear on the register of members of the Company at the close of business on 13 September 2022 are entitled to attend the EGM. In order to qualify for attendance at the EGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's share registrar and transfer office for H Shares, Computershare Hong Kong Investor Services Limited, by 4:30 p.m. on 13 September 2022.
2. Every shareholder who has the right to attend and vote at the EGM is entitled to appoint one or more proxies, whether or not they are shareholders of the Company, to attend and vote on his behalf at the EGM.

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. A proxy shall be appointed by an instrument in writing. Such instrument shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited, in the case of holders of Domestic Shares and Foreign Shares, at the Company's principal place of business in Hong Kong; in the case of holders of H Shares, at the Company's H Share registrar not less than 24 hours before the time appointed for the holding of the EGM. If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy, in the case of holders of Domestic Shares and Foreign Shares, at the Company's principal place of business in Hong Kong; in the case of holders of H Shares, at the Company's H Share registrar.
4. Shareholders and their proxies attending the EGM shall be responsible for their own travelling and accommodation expenses.
5. According to the Article 63 of the Articles of Association of the Company, when the Company convenes a shareholders' extraordinary general meeting, shareholder(s) holding 3% or more of the total shares carrying voting rights of the Company are entitled to propose new matters in writing to be considered and the Company shall include in the agenda of that meeting those matters contained in the proposal which are within the scope of the duties of the general meeting provided that the proposal is delivered to the Company 10 working days prior to the date of the EGM.
6. The address of Computershare Hong Kong Investor Services Limited is:
17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Tel No.: (852) 2862 8555
Fax No.: (852) 2865 0990

The address of the Company's principal place of business in Hong Kong is:
Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong
Tel No.: (852) 2525 2242
Fax No.: (852) 2525 6994
7. If tropical cyclone warning signal no. 8 or above, "extreme conditions" caused by super typhoons or a black rainstorm warning is in effect at any time after 7:00 am on the EGM date, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.
8. Taking into account of the recent development of the epidemic caused by novel coronavirus pneumonia (COVID-19), Shareholders are strongly encouraged not to attend the EGM in person and to vote by way of proxy instead. The Company will implement the following prevention and control measures at the EGM against the epidemic to protect the Shareholders from the risk of infection:
 - Compulsory body temperature check and health declarations will be conducted for every member or proxy at the entrance of the venue. Any person with a body temperature of over 37.5 degrees Celsius will not be admitted to the venue;
 - Every Shareholder or proxy is required to wear surgical facial mask throughout the meeting; and
 - No distribution of corporate gifts and no refreshments will be served.

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