
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in China XLX Fertiliser Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINA XLX FERTILISER LTD.

中國心連心化肥有限公司*

(Incorporated in Singapore with limited liability)

(Company Registration No. 200610384G)

(Hong Kong Stock Code: 1866)

**PROPOSED GRANT OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED ADOPTION OF NEW CONSTITUTION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of China XLX Fertiliser Ltd. to be held at the Victoria Room 2/F., Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong, PRC on 2 June 2023 at 3:00 p.m. is set out on pages 78 to 84 of this circular. A form of proxy for use at the 2023 annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.chinaxlx.com.hk).

If you are not able to attend the 2023 annual general meeting in person, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong Share Transfer Agent and Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the holding of the 2023 annual general meeting (i.e., not later than 3:00 p.m. on 31 May 2023) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

27 April 2023

* *for identification purpose only*

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DEFINITIONS

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

“2023 AGM”	:	The annual general meeting of the Company to be held at Victoria Room 2/F., Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong, PRC on 2 June 2023 at 3:00 p.m., to consider and, if thought fit, to approve the resolutions contained in the notice of the meeting which is set out on pages 78 to 84 of this circular, or any adjournment thereof
“Audit Committee”	:	the audit committee of the Company
“Board”	:	The board of Directors
“Buyback Mandate”	:	As defined in section 2 of the Letter from the Board
“Companies Act”	:	The Companies Act 1967 of Singapore as amended, modified or supplemented from time to time
“Company”	:	China XLX Fertiliser Ltd., a company incorporated in Singapore with limited liability and the Shares of which are listed on the Main Board of the SEHK
“Constitution”	:	The Constitution of the Company as amended, modified or supplemented from time to time
“Council”	:	Securities Industry Council of Singapore
“Director(s)”	:	The director(s) for the time being of the Company
“EPS”	:	Earnings per Share
“Go Power”	:	Go Power Investments Limited, a company incorporated in the British Virgin Islands
“Group”	:	The Company and its subsidiaries from time to time
“Henan XLX”	:	Henan Xinlianxin Chemical Group Company Limited, a subsidiary of the Company
“HK\$”	:	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	:	The Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	:	The Rules Governing the Listing of Securities on the SEHK, as amended, modified or supplemented from time to time
“Hong Kong Buy-backs Code”	:	The Code on Share Buy-backs issued by the SFC
“Hong Kong Takeovers Code”	:	The Code on Takeovers and Mergers issued by the SFC
“Issue Mandate”	:	As defined in section 3 of the Letter from the Board
“Latest Practicable Date”	:	20 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Market Day(s)”	:	Day(s) on which the SEHK is open for trading of securities
“NTA”	:	Net tangible assets
“Nomination Committee”	:	the nomination committee of the Company
“Pioneer Top”	:	Pioneer Top Holdings Limited, a company incorporated in the British Virgin Islands
“PRC”	:	the People’s Republic of China
“Proposed Amendments”	:	proposed amendments to the existing constitution of the Company, details of which are set out in Appendix III of this circular
“RMB”	:	Renminbi, the lawful currency of the People’s Republic of China
“Remuneration Committee”	:	the remuneration committee of the Company
“SEHK”	:	The Stock Exchange of Hong Kong Limited
“SFC”	:	The Securities and Futures Commission of Hong Kong
“SFO”	:	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, modified or supplemented from time to time

DEFINITIONS

“Share(s)”	:	Ordinary share(s) in the capital of the Company or if there is a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the equity share capital of the Company after such subdivision, consolidation, reclassification or reconstruction
“Shareholder(s)”	:	Holder(s) of Share(s)
“Singapore Take-overs Code”	:	The Singapore Code on Take-overs and Mergers issued by the Monetary Authority of Singapore, as amended, modified or supplemented from time to time
“S\$”	:	Singapore dollars, the lawful currency of Singapore
“XLX Chem”	:	Henan Xinlianxin Chemicals Group Co., Ltd.
“%”	:	Percentage or per centum

Words importing the singular shall include the plural where the context admits and *vice versa*. Words importing the masculine gender shall include the feminine and neuter genders where the context admits. Reference to persons shall, where applicable, include corporations.

Any reference in this circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Hong Kong Listing Rules, the SFO, the Hong Kong Buy-backs Code, the Hong Kong Takeovers Code, the Singapore Take-overs Code or any modification thereof and used in this circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Hong Kong Listing Rules, the SFO, the Hong Kong Buy-backs Code, the Hong Kong Takeovers Code, the Singapore Take-overs Code or any modification thereof, as the case may be.

All times and dates referred to in this circular refer to Hong Kong local times and dates.

LETTER FROM THE BOARD



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CHINA XLX FERTILISER LTD.

中國心連心化肥有限公司*

(Incorporated in Singapore with limited liability)

(Company Registration No. 200610384G)

(Hong Kong Stock Code: 1866)

Executive Directors:

Mr. Liu Xingxu (*Chairman*)

Mr. Zhang Qingjin

Ms. Yan Yunhua

Independent Non-executive Directors:

Mr. Ong Kian Guan

Mr. Li Shengxiao

Mr. Ong Wei Jin

Mr. Li Hongxing

Registered Office:

80 Robinson Road

#02-00, Singapore 068898

Principal Place of Business

in Hong Kong:

Room 1903-04, 19/F.

Hong Kong Trade Centre

161 Des Voeux Road Central

Sheung Wan

Hong Kong

27 April 2023

To the Shareholders

Dear Sir/Madam,

**PROPOSED GRANT OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED ADOPTION OF NEW CONSTITUTION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the 2023 AGM for (i) the grant of the Buyback Mandate to the Directors; (ii) the grant of the Issue Mandate to the Directors; (iii) the extension of the Issue Mandate by adding to it the number of Shares repurchased by the Company under the Buyback Mandate; (iv) the re-election of the retiring Directors; and (v) the adoption of new Constitution.

* *for identification purpose only*

LETTER FROM THE BOARD

2. PROPOSED GRANT OF THE BUYBACK MANDATE

Any purchase or acquisition of Shares by the Company has to be made in accordance with, and in the manner prescribed by, the Constitution, the Companies Act, the Hong Kong Listing Rules and such other laws and regulations as may for the time being be applicable.

At the annual general meeting of the Company held on 24 June 2022, a general mandate was granted to the Directors to repurchase the Shares (the “**Buyback Mandate**”). The existing Buyback Mandate will expire at the conclusion of the 2023 AGM. Accordingly, the Directors are seeking Shareholders’ approval for the proposed grant of the Buyback Mandate at the 2023 AGM.

An ordinary resolution, as set out in ordinary resolution no. 8 in the notice of the 2023 AGM (the “**Resolution 8**”), will be proposed at the 2023 AGM to seek the approval of the Shareholders to grant the Directors generally and unconditionally the Buyback Mandate to purchase or acquire Shares, by way of on-market purchase(s) (“**Market Purchase(s)**”), transacted on the SEHK (or any other securities exchange on which the Shares may for the time being be listed and quoted, recognised by the SFC and the SEHK for this purpose) through the ready markets, through one or more duly licensed stockbrokers appointed by the Company for the purpose, at any time and upon such terms and conditions as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of Shares to be repurchased pursuant to the Buyback Mandate, shall not exceed 10% of the total number of issued Shares as at the date of passing the Resolution 8.

Pursuant to Section 76C of the Companies Act, the Company may purchase or acquire Shares by way of off-market purchase(s) otherwise than on the SEHK (the “**Off-Market Purchase(s)**”) if the purchase or acquisition is made in accordance with an equal access scheme authorised in advance by the Company in a general meeting. Pursuant to Rule 2 of the Hong Kong Buy-backs Code, Off-Market Purchases must be approved by the Executive Director of the Corporate Finance Division of the SFC (or any delegate of the Executive Director) before the Company may carry out such Off-Market Purchase. Such approval will normally be conditional upon, amongst others, approval of the proposed Off-Market Purchase by at least three-fourths of the votes cast on a poll by disinterested Shareholders in attendance in person or by proxy at a general meeting and a circular satisfying certain requirements set out in the Hong Kong Buy-backs Code having been sent to the Shareholders. The Company should also comply with other applicable requirements under the Hong Kong Buy-backs Code. In view of the requirements in Hong Kong in relation to Off-Market Purchases, the Company does not intend to purchase or acquire Shares by way of Off-Market Purchases and will not propose such resolution at the 2023 AGM.

Unless revoked or varied by the Company in a general meeting, the Buyback Mandate shall continue in force until the conclusion of the Company’s next annual general meeting held after the 2023 AGM or the expiration of the period within which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the number of Shares in issue was 1,228,121,000. Accordingly, assuming no further Shares are issued or repurchased on or before the 2023 AGM, the exercise of the Buyback Mandate in full would enable the Company to repurchase a maximum of 122,812,100 Shares. The grant of the Buyback Mandate will provide flexibility to the Directors to repurchase Shares when it is in the interest of the Company to do so.

In accordance with the requirements of the Hong Kong Listing Rules, the Company shall send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the grant of the Buyback Mandate. The explanatory statement as required by the Hong Kong Listing Rules and other requisite details in connection with the Buyback Mandate is set out in Appendix I to this circular.

3. PROPOSED GRANT/EXTENSION OF THE ISSUE MANDATE

At the annual general meeting of the Company held on 24 June 2022, a general mandate was granted to the Directors to allot, issue and deal with Shares. The existing Issue Mandate will expire at the conclusion of the 2023 AGM. Accordingly, the Directors are seeking Shareholders' approval for the proposed grant of the Issue Mandate at the 2023 AGM.

An ordinary resolution, as set out in ordinary resolution no. 9 in the notice of the 2023 AGM (the "**Resolution 9**"), will be proposed at the 2023 AGM to seek the approval of the Shareholders to grant the Directors generally and unconditionally the Issue Mandate to (i) allot, issue and deal with Shares whether by way of rights, bonus or otherwise; (ii) make or grant offers, agreements or options that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares (collectively, "**Instruments**") including but not limited to the creation and issue of warrants, debentures or other Instruments convertible into Shares; and/or (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues, at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of Shares to be issued pursuant to the Resolution 9 (including Shares to be issued in pursuance of Instruments made or granted pursuant to the Resolution 9) other than on a rights issue, conversion of convertible securities, exercise of options or issue of scrip dividend or similar arrangement, as detailed in the Resolution 9, shall not exceed 20% of the total number of issued Shares as at the date of passing the Resolution 9.

Unless revoked or varied by the Company in a general meeting, the Issue Mandate shall continue in force until the conclusion of the Company's next annual general meeting held after the 2023 AGM or the expiration of the period within which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

As at the Latest Practicable Date, the number of Shares in issue was 1,228,121,000. Accordingly, the exercise of the Issue Mandate in full would enable the Company to issue a maximum of 245,624,200 new Shares. The grant of the Issue Mandate will provide flexibility to the Directors to issue new Shares when it is in the interest of the Company to do so.

LETTER FROM THE BOARD

Another ordinary resolution, as set out in ordinary resolution no. 10 in the notice of the 2023 AGM, will be proposed at the 2023 AGM to seek the approval of the Shareholders to extend the Issue Mandate granted to the Directors by adding the number of Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate, conditional upon the passing of Resolution 8 and Resolution 9.

4. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Articles 89 and 90 of the Constitution, Ms. Yan Yunhua, Mr. Ong Kian Guan and Mr. Li Hongxing shall retire by rotation at the 2023 AGM, and being eligible, will offer themselves for re-election at the 2023 AGM.

The Nomination Committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contributions of the retiring Directors, nominated Mr. Ong Kian Guan and Mr. Li Hongxing to the Board for it to recommend to Shareholders for re-election at the AGM. The nominations were made with reference to the nomination principles and criteria, defined process of selection and performance evaluation set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy and the independence of the independent non-executive Directors. The Nomination Committee has established and implemented processes including taking into consideration the attendance records at the meetings of the Board and the Committees for monitoring and evaluating the contribution of the retiring Directors. The nomination committee had also taken into account the respective contributions of Mr. Ong Kian Guan and Mr. Li Hongxing to the Board and their commitment to their roles and, with respect to Mr. Ong Kian Guan's nomination, his independence criteria as Mr. Ong Kian Guan has served more than nine years as an independent non-executive Director.

Pursuant to the code provision B.2.3 of Corporate Governance Code as set out in Appendix 14 of the Listing Rules, serving more than nine years could be relevant in the determination of an independent non-executive director's independence. If an independent non-executive director serves more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by shareholders and the circular should include reasons why the Board believes such independent non-executive director is still independent and should be re-elected.

LETTER FROM THE BOARD

Mr. Ong Kian Guan joined the Company since May 2007. Mr. Ong Kian Guan is a practising member and a fellow of the Institute of Singapore Chartered Accountants, and also a partner of Baker Tilly TFW LLP with more than 20 years of professional experience in financial audits of multinational corporations and public listed companies from diverse industries. Throughout Mr. Ong Kian Guan's directorship with the Company, Mr. Ong Kian Guan has participated in Board meetings to give impartial advice and exercise independent judgement, served on various committees of the Board, but has never engaged in any executive management of the Company. Taking into consideration his independent scope of work in the past years, the Board (including the independent non-executive Directors other than Mr. Ong Kian Guan) considers that the long service of Mr. Ong Kian Guan would not affect his exercise of independent judgement and is satisfied that Mr. Ong Kian Guan has the required character, integrity and experience to continue fulfilling the role of an independent non-executive Director. As such, the Board (including the independent non-executive Directors other than Mr. Ong Kian Guan), considers Mr. Ong Kian Guan to be independent under the Listing Rules despite the length of his service. The Board (including the independent non-executive Directors other than Mr. Ong Kian Guan) believes that Mr. Ong Kian Guan's continued tenure will bring considerable stability to the Board and that Mr. Ong Kian Guan's financial experience and understanding of the Company's operations and business will continue to contribute an impartial and independent view to the Board.

The Company received from Mr. Ong Kian Guan a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. Mr. Ong Kian Guan does not have any management role in the Group and he has no relationship with any other Directors, senior management or any substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

The nomination committee of the Company reviewed the eligibility of Mr. Ong Kian Guan seeking for re-election at the AGM and also reviewed the confirmation of independence provided by Mr. Ong Kian Guan. The Board (including the independent non-executive Directors other than Mr. Ong Kian Guan), through the assessment and recommendation by the nomination committee, is of the opinion that Mr. Ong Kian Guan is independent for the purpose of acting as independent non-executive Directors of the Company, and thus recommends Mr. Ong Kian Guan for re-election as a candidate for an independent non-executive Directors at the AGM.

In addition, the Nomination Committee and the Board believed that the extensive business experience and financial knowledge of Mr. Ong Kian Guan and Mr. Li Hongxing will continue to make contribution to the Board and are satisfied with all the retiring Directors' contributions to the Company, which will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Nomination Committee and the Board therefore recommended the re-election of all the retiring Directors, including the aforesaid independent non-executive Directors, who are due to retire at the 2023 AGM.

Pursuant to Rule 13.74 of the Hong Kong Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Hong Kong Listing Rules of any director(s) proposed to be re-elected or proposed new director(s) in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above three retiring Directors are set out in Appendix II to this circular.

LETTER FROM THE BOARD

5. PROPOSED ADOPTION OF NEW CONSTITUTION

The Board of the Company proposed (i) certain amendments to the existing Constitution of the Company in order to bring them in line with the latest legal and regulatory requirements, including the applicable laws of Singapore and those relating to the amendments to the Listing Rules which took effect on 1 January 2022; (ii) other housekeeping amendments in relation thereto for the purpose of clarifying existing practices and making consequential amendments in line with the Proposed Amendments; and (iii) to adopt the new Constitution incorporating and consolidating all the Proposed Amendments in substitution for and to the exclusion of the existing Constitution.

The Board considers that the Proposed Amendments are in the interests of the Company and its Shareholders as a whole. The Proposed Amendments and the adoption of the new Constitution are subject to the consideration and approval by the Shareholders by way of a special resolution at the forthcoming 2023 AGM to be convened by the Company.

The legal advisors to the Company have confirmed that the Proposed Amendments conform with the requirements of the Listing Rules and the laws of Singapore respectively. The Board confirms that there is nothing unusual about the Proposed Amendments for a company listed in Hong Kong.

There is no official Chinese translation in respect of the Constitution. As such, the Chinese version of the Constitution is a translated version of the English version and is for reference only. Should there be any discrepancy, the English version shall prevail.

Details of the Proposed Amendments are set out in Appendix III to this circular.

6. DIRECTORS' RECOMMENDATIONS

Save for Mr. Liu Xingxu who abstains from making any recommendations to the Shareholders in accordance with Note 3(a) of Appendix 2 of the Singapore Take-overs Code, the remaining Directors consider that the grant of the Buyback Mandate is in the interests of the Company and is not prejudicial to the Shareholders as a whole. Accordingly, the Directors (other than Mr. Liu Xingxu) recommend the Shareholders to vote in favour of the resolution relating to the Buyback Mandate to be proposed at the 2023 AGM.

Shareholders should note that by voting in favour of the resolution in relation to the proposed grant of the Buyback Mandate, Shareholders are waiving their rights to a general offer from Mr. Liu Xingxu and/or persons acting in concert with him, if any, at the required price, if a share buy-back by the Company results in the aggregate voting rights of Mr. Liu Xingxu and/or persons acting in concert with him, if any, to increase in accordance with the proportions stipulated under Rule 14 of the Singapore Take-overs Code.

The Directors consider that the grant/extension of the Issue Mandate, the re-election of the retiring Directors and the adoption of new Constitution are in the interests of the Company and are not prejudicial to the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the 2023 AGM.

LETTER FROM THE BOARD

7. ABSTENTION FROM VOTING

Each of Mr. Liu Xingxu, Pioneer Top and/or persons acting in concert with them, is required under the Singapore Take-overs Code to abstain from voting on the resolution in respect of the proposed grant of the Buyback Mandate at the 2023 AGM. Mr. Liu Xingxu shall not, and shall procure that his concert parties shall not, accept appointments as proxies for voting on the resolution in respect of the proposed grant of the Buyback Mandate unless specific instructions have been given on the proxy form(s) on how the votes are to be cast in respect of the resolution relating to the proposed grant of the Buyback Mandate.

Save as disclosed above, no other Shareholder is required to abstain from voting on the resolutions proposed at the 2023 AGM.

8. 2023 AGM

The 2023 AGM, notice of which is set out on pages 78 to 84 of this circular, will be convened at Victoria Room 2/F., Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong, PRC on 2 June 2023 at 3:00 p.m. for the approval of the resolutions in relation to, *inter alia*, the grant of the Buyback Mandate and the Issue Mandate, the extension of the Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Buyback Mandate and the re-election of the retiring Directors.

Pursuant to the Hong Kong Listing Rules and the Constitution, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the 2023 AGM. An announcement on the poll voting results will be published by the Company after the 2023 AGM in the manner prescribed under Rule 13.39(5) of the Hong Kong Listing Rules.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

A form of proxy for use at the 2023 AGM is enclosed with this circular and such form of proxy is also published on the websites of the SEHK (www.hkexnews.hk) and the Company (www.chinaxlx.com.hk). If you are not able to attend the 2023 AGM in person, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the letter or power of attorney under which it is signed or a certified copy of that letter or power of attorney, to the Company's Hong Kong Share Transfer Agent and Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for holding the 2023 AGM (i.e., not later than 3:00 p.m. on 31 May 2023) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the 2023 AGM if you so wish and in such event, your proxy form shall be deemed to be revoked.

LETTER FROM THE BOARD

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this circular constitutes full and true disclosure of all material facts about the proposed grant of the Buyback Mandate and the Issue Mandate, re-election of the retiring Directors; and adoption of new constitution. The Group and the Directors are not aware of any facts the omission of which would make any statement in this circular misleading.

Where information contained in this circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this circular in its proper form and context.

11. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I - Explanatory Statement on the Buyback Mandate; Appendix II - Details of the Retiring Directors Proposed to be Re-elected at the 2023 AGM; and Appendix III - Proposed Amendments to the existing Constitution.

Yours faithfully,
By order of the Board
Liu Xingxu
Chairman

The following is an explanatory statement required by the Hong Kong Listing Rules, together with other requisite details, to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2023 AGM in relation to the grant of the Buyback Mandate.

1. RATIONALE FOR THE BUYBACK MANDATE

The Directors believe that the grant of the Buyback Mandate is in the interests of the Company and the Shareholders as a whole, as it will give the Directors the flexibility to purchase or acquire Shares on the market when circumstances permit. Share purchases or acquisitions also allow the Directors to exercise control over the Company's share structure and may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the EPS and/or NTA per Share.

Repurchases of Shares will only be undertaken if such repurchases can benefit the Company and the Shareholders as a whole. Subject to the provisions of the Companies Act and the Hong Kong Listing Rules, the number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining. No purchase of Shares will be made in circumstances which would have or may have any material adverse effect on the financial position of the Company and the Group and the trading and listing status of the Shares on the SEHK, or which would result in the Company being delisted from the SEHK.

2. AUTHORITY AND LIMITATIONS ON THE BUYBACK MANDATE

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Buyback Mandate are summarised below:

(I) Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired pursuant to the Buyback Mandate is limited to 10% of the total number of issued Shares as at the date of the 2023 AGM on which the proposed grant of the Buyback Mandate is approved.

For illustrative purposes only, on the basis of 1,228,121,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued or repurchased on or before the 2023 AGM, not more than 122,812,100 Shares (representing 10% of the total number of issued Shares as at the date of the 2023 AGM) may be purchased or acquired by the Company pursuant to the Buyback Mandate.

(II) Duration of Authority

Purchases or acquisitions of Shares pursuant to the Buyback Mandate may be made, at any time and from time to time, on and from the date of the 2023 AGM, at which the proposed grant of the Buyback Mandate is approved, 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 Constitution or any applicable laws of Singapore to be held;
- (iii) the date on which the purchases or acquisitions of Shares pursuant to the Buyback Mandate have been carried out to the full extent mandated; or
- (iv) the passing of an ordinary resolution by the Shareholders in general meeting revoking, varying or renewing the Buyback Mandate.

(III) Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares shall be effected by the Company by way of Market Purchases transacted on the SEHK (or any other securities exchange on which the Shares may for the time being be listed and quoted, recognised by the SFC and the SEHK for this purpose) through the ready markets, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

(IV) Maximum Price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) in relation to a Share to be purchased or acquired by way of a Market Purchase must not be 105% or more of the Average Closing Price (the “**Maximum Price**”).

For the above purpose, “**Average Closing Price**” means the average of the closing market prices of a Share for the 5 consecutive Market Days on which the Shares are transacted on the SEHK immediately preceding the date of the Market Purchase by the Company, and deemed to be adjusted in accordance with the Hong Kong Listing Rules for any corporate action which occurs after the relevant 5-Market Day period.

3. STATUS OF THE SHARES REPURCHASED

A Share purchased or acquired by the Company is deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation). Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company.

Pursuant to Rule 10.06(5) of the Hong Kong Listing Rules, the listing of all Shares purchased or acquired by the Company (whether on the SEHK or otherwise) shall be automatically cancelled upon such purchase or acquisition of Shares.

4. SOURCE OF FUNDS

In purchasing or acquiring Shares, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Constitution and the applicable laws in Singapore and Hong Kong. The Company may not purchase or acquire Shares for a consideration other than cash and where relevant, settlement shall be in accordance with the trading rules of the SEHK. Any payment made by the Company in consideration of the purchase or acquisition of Shares may be made out of the Company's capital or profits so long as the Company is solvent. Such payment shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition of Shares by the Company.

For this purpose, a company is "solvent" if at the date of the foregoing payment, the following conditions are satisfied:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if:
 - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
 - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).

The Company may use internal resources and/or external borrowings to finance its purchases or acquisitions of Shares pursuant to the Buyback Mandate. The Directors do not propose to carry out repurchases of shares to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company.

5. FINANCIAL EFFECTS

Where Shares are purchased or acquired, and cancelled, the Company shall:

- (a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;
- (b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (c) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares repurchased or acquired, and cancelled.

For this purpose, the total amount of the purchase price referred to above shall include any expenses (including brokerage or commission) incurred directly in the purchase or acquisition of the Shares which is paid out of the Company's capital and/or profits.

Under the Constitution, the Company may purchase or acquire Shares out of distributable profits of the Company or out of the proceeds of a fresh issue of Shares made for the purposes of such purchase or acquisition.

Where the total amount of the purchase price paid by the Company for the purchase or acquisition of Shares is made out of profits, such total amount of the purchase price will correspondingly reduce the amount available for the distribution of cash dividends by the Company. On the other hand, where the total amount of the purchase price paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The financial impact on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Buyback Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the price at which such Shares are purchased or acquired and the amount (if any) borrowed by the Company to fund the purchase or acquisition of Shares.

There might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2022) in the event that the Buyback Mandate is to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buyback Mandate to such an extent that it would have a material adverse effect on the working capital requirements or the gearing levels of the Company as compared with the position disclosed in the latest published audited financial statements of the Company which in the opinion of the Directors are from time to time appropriate for the Group. The purchase or acquisition of the Shares will only be effected after considering the relevant factors such as working capital requirements, availability of financial resources, expansion and investment plans of the Group and prevailing market conditions. The proposed Buyback Mandate will be exercised with a view of enhancing the EPS and/or NTA per Share.

For illustrative purposes only, assuming that the Company had repurchased 122,812,100 Shares (representing 10% of the total number of issued Shares as at the Latest Practicable Date and assuming that no Shares are issued or repurchased on or prior to the date of the 2023 AGM), the financial effects on the Company and the Group arising from purchases or acquisitions of Shares pursuant to the Buyback Mandate, based on the audited financial statements of the Company and the Group for the year ended 31 December 2022 would have been as follows, based on a HK\$:RMB exchange rate of HK\$1:RMB0.88 as at the Latest Practicable Date:

For illustrative purposes only:

Where the Shares purchased or acquired are cancelled, in a Market Purchase, assuming that the Maximum Price is HK\$4.20, which is not more than 5% above the Average Closing Price of a Share over the last 5 Market Days immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded, the maximum amount of funds required for the purchase or acquisition of up to 122,812,100 Shares, which is the maximum number of Shares the Company is able to purchase or acquire under the Buyback Mandate, would be HK\$515,810,820. The financial effects of the purchase or acquisition of Shares on the financial position of the Company and the Group for the year ended 31 December 2022 are as follows, assuming that the Buyback Mandate had been exercised in full:

As at 31 December 2022, the Group and the Company had cash and bank balances of approximately RMB1,470 million (equivalent to approximately HK\$1,670 million) and RMB2 million (equivalent to approximately HK\$2 million) respectively. In order to effect a purchase or acquisition of up to 122,812,100 Shares at the Maximum Price assuming that the Market Purchase takes place on the Latest Practicable Date and that no Shares are issued or repurchased on or prior to the date of the 2023 AGM, cash reserves from the Group of RMB516 million (equivalent to approximately HK\$586 million) will be required.

Assuming the use of internal resources to purchase or acquire the Shares

	Group		Company	
	Before Share Repurchase (RMB '000)	After Share Repurchase (RMB '000)	Before Share Repurchase (RMB '000)	After Share Repurchase (RMB '000)
As at 31 December 2022				
Current assets	6,230,887	5,644,738	31,405	(554,744)
Current liabilities	10,540,755	11,386,207	16,910	17,475
Working capital	(4,309,868)	(5,741,469)	14,495	(572,219)
Shareholders' funds	6,886,203	6,300,054	2,029,410	1,443,261
Total borrowing	12,683,808	11,911,279	–	–
NTA	9,212,153	8,626,004	2,029,410	1,443,261
As at the Latest Practicable Date				
Number of Shares	1,228,121,000	1,105,308,900	1,228,121,000	1,105,308,900
Financial Ratios				
NTA per Share (RMB cents)	750.10	780.42	165.25	130.58
EPS (RMB cents)	109.67	119.99	14.62	16.25
Gearing ratio (times)	0.66	0.70	0.01	0.01
Current ratio (times)	0.59	0.50	1.86	(31.75)

Assuming the use of external borrowings to purchase or acquire the Shares

	Group		Company	
	Before Share Repurchase (RMB '000)	After Share Repurchase (RMB '000)	Before Share Repurchase (RMB '000)	After Share Repurchase (RMB '000)
As at 31 December 2022				
Current assets	6,230,887	6,230,887	31,405	31,405
Current liabilities	10,540,755	11,126,904	16,910	630,059
Working capital	(4,309,868)	(4,896,017)	14,495	(571,654)
Shareholders' funds	6,886,203	6,300,054	2,029,410	1,443,261
Total borrowing	12,683,808	13,269,957	–	–
NTA	9,212,153	8,626,004	2,029,410	1,443,261
As at the Latest Practicable Date				
Number of Shares	1,228,121,000	1,105,308,900	1,228,121,000	1,105,308,900
Financial Ratios				
NTA per Share (RMB cents)	750.10	780.42	165.25	130.58
EPS (RMB cents)	109.67	119.99	14.62	16.25
Gearing ratio (times)	0.66	0.68	0.01	0.29
Current ratio (times)	0.59	0.56	1.86	0.05

As illustrated above, the exercise of the Buyback Mandate will have the effect of reducing the working capital and the NTA of the Group and the Company by the purchase price of the Shares purchased or acquired. The NTA per Share of the Group as at 31 December 2022 (assuming the Buyback Mandate is exercised in full and there is no change of share capital on or prior to the date of the 2023 AGM) will increase from RMB750.10 cents (equivalent to approximately HK852.39 cents) to RMB780.42 cents (equivalent to approximately HK886.84 cents).

Assuming that the Buyback Mandate had been exercised in full on 31 December 2022 and there is no change of share capital on or prior to the date of the 2023 AGM, the EPS of the Group for the year ended 31 December 2022 would be increased from RMB109.67 cents (equivalent to approximately HK124.63 cents) to RMB119.99 cents (equivalent to approximately HK136.35 cents) as a result of the reduction in the number of issued Shares.

Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on audited financial statements of the Company and the Group for the year ended 31 December 2022, and is not necessarily representative of future financial performance.

The Company will take into account both financial factors (for example, cash surplus, debt position and working capital requirement) and non-financial factors (for example, share market conditions and performance of the Shares) in assessing the relative impact of a repurchase of Shares pursuant to the Buyback Mandate before execution.

Shareholders should also note that although the Buyback Mandate would authorise the Company to repurchase up to 10% of the total number of issued Shares as at the date on which the proposed grant of the Buyback Mandate is approved, the Company may not necessarily repurchase or be able to repurchase the entire 10% of the total number of issued Shares as permitted by the Buyback Mandate.

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from Buyback Mandate or who may be subject to tax in a jurisdiction other than Singapore and/or Hong Kong, should consult their own professional advisers.

6. TAKEOVERS CODE IMPLICATIONS

(I) Hong Kong Takeovers Code Implications

If, on the exercise of the power to repurchase Shares pursuant to the Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Hong Kong Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Hong Kong Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. Liu Xingxu, the Chairman of the Board and an executive Director of the Company as at the Latest Practicable Date, was interested in 415,877,999 Shares, representing approximately 33.86% of the total issued share capital of the Company. Out of these Shares, 600,000 Shares (being approximately 0.05% of the total issued share capital of the Company) were beneficially owned by Mr. Liu Xingxu, and 415,277,999 Shares (being approximately 33.81% of the total issued share capital of the Company) were held by Pioneer Top. Mr. Liu Xingxu beneficially owned 42% of the equity interest in Pioneer Top and held the remaining 58% of the equity interest in Pioneer Top in trust for 7 beneficiaries (including Mr. Zhang Qingjin, an executive Director of the Company as at the Latest Practicable Date) under a trust agreement dated 26 July 2016. Pursuant to the said trust agreement, Mr. Liu Xingxu is irrevocably granted the absolute discretion to exercise the voting rights and the rights to the day-to-day management of Pioneer Top.

In the event that the Directors exercise the Buyback Mandate in full, the number of Shares to be repurchased pursuant to the Buyback Mandate will be 122,812,100 Shares.

On the basis that (i) the total issued share capital of the Company (being 1,228,121,000 Shares) remains unchanged as at the date of the 2023 AGM, and (ii) the shareholdings of Mr. Liu Xingxu (being 415,877,999 Shares, representing approximately 33.86% of the total issued share capital of the Company as at the Latest Practicable Date) in the Company remains unchanged, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the 2023 AGM (presuming that apart from the decrease of the issued share capital arising from the said full exercise of the Buyback Mandate, there is no other change in the Company's issued share capital), the shareholding interests of Mr. Liu Xingxu in the issued Shares would be increased to approximately 37.62% of the total issued share capital of the Company.

The above-mentioned increase of shareholding interests would give rise to an obligation for Mr. Liu Xingxu to make a mandatory general offer under the Hong Kong Takeovers Code. However, the Directors do not have any present intention to exercise the proposed Buyback Mandate to such an extent as would give rise to such an obligation.

Save as aforesaid and as at the Latest Practicable Date, the Directors were not aware of any consequence which the exercise in full of the Buyback Mandate would have under the Hong Kong Takeovers Code.

(II) Singapore Take-overs Code Implications

If, as a result of any purchase or acquisition of Shares by the Company, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Singapore Take-overs Code. If such increase results in the change of control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Singapore Take-overs Code.

Under the Singapore Take-overs Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons will, *inter alia*, be presumed to be acting in concert:

- (a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;

- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons for the purchase of voting rights.

For the above purposes, “close relatives” include immediate family (i.e. parents, siblings, spouse and children), siblings of parents (i.e. uncles and aunts) as well as their children (i.e. cousins), and children of siblings (i.e. nephews and nieces).

The circumstances under which the Shareholders (including the Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Singapore Take-overs Code after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Singapore Take-overs Code.

Under the Singapore Take-overs Code, a Shareholder and persons acting in concert with him will incur an obligation to make a take-over offer after a share buy-back by the Company if, *inter alia*, their voting rights increase to 30% or more as a result of a share buy-back by the Company and they acquire any Shares between the date of the notice of resolution to authorise the Buyback Mandate and the next annual general meeting of the Company, or, if they already hold between 30% and 50% of the Company’s voting rights and as a result of a share buy-back by the Company their voting rights increase by more than 1% in any period of 6 months and they acquire any Shares between the date of the notice of resolution to authorise the Buyback Mandate and the next annual general meeting of the Company.

Under Appendix 2 of the Singapore Take-overs Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Singapore Take-overs Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company’s voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Buyback Mandate unless so required under the Companies Act.

Notwithstanding the above, Note 3(a) of Appendix 2 of the Singapore Take-overs Code provides that for a market acquisition under Section 76E of the Companies Act by a listed company, directors and persons acting in concert with them will be exempted from the requirement to make an offer under Rule 14 of the Singapore Take-overs Code, subject to the following conditions:

- (i) the circular to shareholders on the resolution to authorise a share buy-back to contain advice to the effect that by voting for the buy-back resolution, shareholders are waiving their right to a general offer at the required price from directors and parties acting in concert with them who, as a result of the company buying back its shares, would increase their voting rights to 30% or more, or, if they together hold between 30% and 50% of the company's voting rights, would increase their voting rights by more than 1% in any period of 6 months; and the names of such directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed buy-back to be disclosed in the same circular;
- (ii) the resolution to authorise a share buy-back to be approved by a majority of those shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the share buy-back;
- (iii) directors and/or persons acting in concert with them to abstain from voting for and/or recommending shareholders to vote in favour of the resolution to authorise the share buy-back;
- (iv) within 7 days after the passing of the resolution to authorise a buy-back, each of the directors to submit to the Council a duly signed form as prescribed by the Council;
- (v) directors and/or persons acting in concert with them not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposals is imminent and the earlier of:
 - the date on which the authority of the share buy-back expires; and
 - the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be,if such acquisitions, taken together with the share buy-back, would cause their aggregate voting rights to increase to 30% or more; and
- (vi) directors and/or persons acting in concert with them, together holding between 30% and 50% of the company's voting rights, not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of:
 - the date on which the authority of the share buy-back expires; and
 - the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be,

if such acquisitions, taken together with the share buy-back, would cause their aggregate voting rights to increase by more than 1% in the preceding 6 months.

It follows that where the aggregate voting rights held by a director and persons acting in concert with him increase by more than 1% solely as a result of the share buy-back and none of them has acquired any shares during the relevant period defined above, then such director and/or persons acting in concert with him would be eligible for an exemption from the requirement to make a general offer under Rule 14 of the Singapore Take-overs Code, or where already exempted, would continue to enjoy the exemption.

The effect of Rule 14 and Appendix 2 of the Singapore Take-overs Code is that, subject to the fulfilment of the abovementioned conditions, Directors and persons acting in concert with them will be exempted from the obligation to make a take-over offer under Rule 14 of the Singapore Take-overs Code within the validity period of the exemption if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months.

As at the Latest Practicable Date, the Company's issued share capital comprises 1,228,121,000 Shares, of which, the aggregate shareholdings and voting rights of Mr. Liu Xingxu, the Chairman of the Board and an executive Director of the Company as at the Latest Practicable Date, and persons acting in concert with him, in the event of share buy-backs up to the maximum of 10% of the issued share capital of the Company as permitted by the Buyback Mandate, are as follows:

	Percentage of Shares and voting rights as at the Latest Practicable Date	Percentage of Shares and voting rights after the maximum share buy-backs permitted under the Buyback Mandate ⁽¹⁾
Mr. Liu Xingxu	0.05%	0.05%
Pioneer Top ⁽²⁾	33.81%	37.57%
	<hr/>	<hr/>
Total	33.86%	37.62%
	<hr/> <hr/>	<hr/> <hr/>

Notes:

- (1) The above is based on the assumption that the Shares bought back by the Company will be cancelled immediately.
- (2) Pioneer Top is an investment holding company established in the British Virgin Islands (the “BVI”). Mr. Liu Xingxu, the Chairman of the Board and an executive Director of the Company as at the Latest Practicable Date, beneficially owned 42% of the equity interest in Pioneer Top, and held the remaining 58% of the equity interest in Pioneer Top in trust for 7 beneficiaries under a trust agreement dated 26 July 2016, comprising (i) 7% for Mr. Zhang Qingjin, an executive Director of the Company as at the Latest Practicable Date; (ii) 7% for Mr. Shang Dewei, a Company’s employee; (iii) 7% for Mr. Zhu Xingye (retired); (iv) 16% for Mr. Li Buwen (retired); (v) 7% for Mr. Li Yunshun (retired); (vi) 7% for Mr. Ru Zhengtao (retired) and (vii) 7% for Mr. Wang Nairen (retired). Mr. Liu Xingxu has the absolute discretion to exercise the voting rights held by Pioneer Top in the Company in accordance with the aforesaid trust agreement dated 26 July 2016.

Based on the shareholdings of Mr. Liu Xingxu as set out above, in the event that the Company undertakes share buy-backs under the Buyback Mandate up to the maximum of 10% of the issued share capital of the Company as permitted by the Buyback Mandate, the shareholdings and voting rights of Mr. Liu Xingxu will increase from 33.86% to 37.62%. Under the Singapore Take-overs Code, in the event that the aggregate shareholding and voting rights of Mr. Liu Xingxu increases by more than 1% within a 6-month period as a result of a share buy-back by the Company, he will be required to make a take-over offer under Rule 14.1(b) of the Singapore Take-overs Code.

Pursuant to Note 3(a) of Appendix 2 of the Singapore Take-overs Code, Mr. Liu Xingxu together with Pioneer Top (collectively, the “**Liu Concert Parties**”) will be exempted from the requirement to make an offer under Rule 14 of the Singapore Take-overs Code for the Company, in the event that the Liu Concert Parties’ aggregate percentage of total voting rights increases by more than 1% in any 6-month period as a result of a market acquisition under Section 76E of the Companies Act by the Company under the Buyback Mandate, if the following conditions are satisfied:

- (a) the circular to Shareholders on the resolution to approve the proposed grant of the Buyback Mandate to contain advice to the effect that by voting for the resolution, Shareholders are waiving their right to a general offer at the required price from the Liu Concert Parties, who, as a result of the Company buying back its Shares, would increase their voting rights by more than 1% in any period of 6 months; and the names of the Liu Concert Parties and their voting rights at the time of the resolution and after the proposed share buy-back by the Company to be disclosed in the same circular;

- (b) the resolution to approve the proposed grant of the Buyback Mandate to be approved by a majority of those Shareholders present and voting at the 2023 AGM on a poll who could not become obliged to make an offer as a result of the share buy-back by the Company;
- (c) the Liu Concert Parties abstain from voting for, and Mr. Liu Xingxu abstains from recommending Shareholders to vote in favour of, the resolution to approve the proposed grant of the Buyback Mandate;
- (d) within 7 days after the passing of the resolution to approve the proposed grant of the Buyback Mandate, each of the Directors to submit to the Council a duly signed form as prescribed by the Council; and
- (e) the Liu Concert Parties have not acquired and will not acquire any Shares between the date on which they know that the announcement of the proposal for the grant of the Buyback Mandate is imminent and the earlier of:
 - (i) the date on which the authority of the Buyback Mandate expires; and
 - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by the Buyback Mandate or it has decided to cease buying back its Shares as the case may be,

if such acquisitions, taken together with the share buy-back by the Company, would cause their aggregate voting rights in the Company to increase by more than 1% in the preceding 6-month period.

If the Company has bought back such number of its Shares under the Buyback Mandate as authorised by its Shareholders or has ceased to buy back its Shares under the Buyback Mandate and the increase in the aggregate voting rights held by Mr. Liu Xingxu and his concert parties as a result of the Company buying back its Shares at such time is 1% or more, Mr. Liu Xingxu and his concert parties will incur a bid obligation for the Company if they acquire additional voting rights in the Company (other than as a result of the Company buying back its Shares under the Buyback Mandate) before the date on which the Company's next annual general meeting is or is required to be held.

If the Company has ceased to buy back its Shares under the Buyback Mandate and the increase in the aggregate voting rights held by Mr. Liu Xingxu and his concert parties as a result of the Company buying back its Shares at such time is less than 1%, Mr. Liu Xingxu and his concert parties may acquire further voting rights in the Company. However, any increase in the percentage voting rights held by Mr. Liu Xingxu and his concert parties as a result of the Company buying back its Shares will be taken into account together with any voting rights acquired by Mr. Liu Xingxu and his concert parties (by whatever means) in determining whether Mr. Liu Xingxu and his concert parties' aggregate voting rights in the Company have increased by more than 1% in any 6-month period.

Other than as disclosed above, the Directors are not aware of any facts or factors which suggest or imply that any particular Shareholder is, or may be regarded as, a party acting in concert such that his interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Singapore Take-overs Code would ensue as a result of a purchase or acquisition of Shares by the Company pursuant to the Buyback Mandate.

Shareholders should note that by voting in favour of the resolution in relation to the proposed grant of the Buyback Mandate, Shareholders are waiving their rights to a general offer from Mr. Liu Xingxu and/or persons acting in concert with him, if any, at the required price, if a share buy-back by the Company results in the aggregate voting rights of Mr. Liu Xingxu and/or persons acting in concert with him, if any, to increase in accordance with the proportions stipulated under Rule 14 of the Singapore Take-overs Code.

Shareholders are advised to consult their professional advisers and/or the relevant authorities at the earliest opportunity as to whether they would incur any obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Buyback Mandate.

7. HONG KONG LISTING RULES IMPLICATIONS

Under the Hong Kong Listing Rules, an issuer shall not purchase its shares on the SEHK at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of (i) the date of the board meeting (as such date is first notified to the SEHK in accordance with the Hong Kong Listing Rules) for the approval of the issuer's results for any year, half-year, quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules); and (ii) the deadline for the issuer to publish an announcement of its results for any year or half-year under the Hong Kong Listing Rules, or quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules), and ending on the date of the results announcement, the issuer may not purchase its shares on the SEHK, unless the circumstances are exceptional. Further, an issuer shall not knowingly purchase its shares from a core connected person (as defined in the Hong Kong Listing Rules) and a core connected person shall not knowingly sell shares to the issuer, on the SEHK.

Pursuant to the Hong Kong Listing Rules, the Company shall ensure that after its repurchase of Shares on the SEHK, at least 25% of the total number of issued Shares will remain in the hands of the public.

In undertaking any purchase or acquisition of Shares through Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases or acquisitions, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not cause market illiquidity or adversely affect the listing status and orderly trading of the Shares on the SEHK.

8. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the SEHK during each of the following months were as follows:

Month	Highest (HK\$)	Lowest (HK\$)
2022		
April	8.620	6.200
May	7.170	6.000
June	6.440	5.580
July	6.360	5.030
August	5.590	4.450
September	4.760	3.700
October	4.090	2.960
November	4.110	3.000
December	4.340	3.700
2023		
January	4.690	3.890
February	4.960	4.020
March	4.480	3.810
April (up to the Latest Practicable Date)	4.150	3.860

9. REPURCHASES OF SHARES MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company has not repurchased Shares on the Stock Exchange.

10. REPORTING REQUIREMENTS**(I) Hong Kong Listing Rules**

Under the Hong Kong Listing Rules, after a listed issuer has made a purchase of its shares whether on the SEHK or otherwise, the listed issuer shall:

- (a) submit for publication to the SEHK not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase of shares (whether on the SEHK or otherwise), the total number of shares purchased by the issuer the previous day, the purchase price per share or the highest and lowest prices paid for such purchases, where relevant, and shall confirm that those purchases which were made on the SEHK were made in accordance with the Hong Kong Listing Rules and if the issuer's primary listing is on the SEHK, that there have been no material changes to the particulars contained in the explanatory statement issued by the listed issuer in relation to the mandate pursuant to which such purchase of shares is made. In respect of purchases made on another stock exchange, the issuer's report must confirm that those purchases were made in accordance with the domestic rules applying to purchases on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the SEHK may from time to time prescribe. In the event that no shares are purchased on any particular day then no return need be made to the SEHK; and
- (b) include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the SEHK or otherwise) and the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid by the issuer for such purchases. The director's report shall contain reference to the purchases made during the year and the reasons for making such purchases.

(II) Companies Act

Under the Companies Act, where a public company purchases or acquires its shares, the directors of the company shall:

- (a) lodge with the Registrar (as defined in the Companies Act) a copy of the shareholders' ordinary resolution to approve any purchase or acquisition of shares by the company, within 30 days of the passing of such resolution; and
- (b) lodge a notice of purchase or acquisition of shares in the prescribed form within 30 days after the purchase or acquisition of such shares. Such notification shall include details of the date of the purchase or acquisition, the number of shares purchased or acquired, the number of shares cancelled, the number of shares held as treasury shares, the company's issued share capital before the purchase or acquisition, the company's issued share capital after the purchase or acquisition, the amount of consideration paid by the company for the purchase or acquisition of the shares, whether the shares were purchased or acquired out of profits or capital of the company, and such other particulars as may be required in the prescribed form.

The issuer shall procure that any broker appointed by the issuer to effect the purchase of its shares shall disclose to the SEHK such information with respect to purchases made on behalf of the issuer as the SEHK may request.

11. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Hong Kong Listing Rules) have any present intention to sell any Shares to the Company in the event that the grant of the Buyback Mandate is approved by the Shareholders.

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

The Directors have undertaken to the SEHK to exercise the power of the Company to make repurchases of Shares pursuant to the Buyback Mandate in accordance with the Hong Kong Listing Rules and the applicable laws of Singapore.

12. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

(I) Disclosure of Directors' and Chief Executive's Interests

As at the Latest Practicable Date, the interests of the Directors and the chief executive of the Company in the Shares, based on the information in the register maintained by the Company in accordance with Section 164 of the Companies Act and Section 352 of the SFO, are set out below:

	Beneficial Interest		Deemed Interest	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Directors				
Mr. Liu Xingxu	600,000	0.05	415,277,999 ^(a)	33.81
Ms. Yan Yunhua	300,000	0.02	255,965,000 ^(b)	20.84
Mr. Ong Kian Guan	100,000	0.01	–	–
Mr. Ma Tongsheng	8,000	0.00	–	–

Notes:

- (a) These Shares were held by Pioneer Top. Mr. Liu Xingxu beneficially owned 42% of the equity interest in Pioneer Top, and held the remaining 58% of the equity interest in Pioneer Top in trust for 7 beneficiaries (including Mr. Zhang Qingjin, an executive Director of the Company as at the Latest Practicable Date) under a trust agreement dated 26 July 2016. Pursuant to the trust agreement, Mr. Liu Xingxu is irrevocably granted the absolute discretion to exercise the voting rights and the rights to the day-to-day management of Pioneer Top.
- (b) These shares were held by Go Power. Ms. Yan Yunhua, an executive Director of the Company as at the Latest Practicable Date, beneficially owned 12.74% of the equity interest in Go Power and held the remaining 87.26% of the equity interest in Go Power in trust for more than 1,000 beneficiaries under a trust agreement dated 26 July 2016. Pursuant to the trust agreement, Ms. Yan Yunhua is irrevocably granted the absolute discretion to exercise the voting rights and the rights to the day-to-day management of Go Power.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executive of the Company nor their associates had or was deemed to have any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which has been recorded in the register maintained by the Company pursuant to Section 164 of the Companies Act and Section 352 of the SFO.

(II) Disclosure of Substantial Shareholders' Interests

As at the Latest Practicable Date, the following parties had interests of 5% or more in the issued Shares and underlying Shares, according to the register of interests required to be kept by the Company pursuant to Section 88 of the Companies Act and Section 336 of the SFO:

Long positions

Name of substantial shareholders	Capacity	Number of issued ordinary Shares interested	Approximate percentage of the Company's issued share capital
Pioneer Top ^(a)	Beneficial owner	415,277,999	33.81%
Go Power ^(b)	Beneficial owner	255,965,000	20.84%

* The shareholding percentage represents the number of issued ordinary shares interested divided by the number of the issued Shares as at the Latest Practicable Date.

Notes:

- (a) Pioneer Top is an investment holding company established in the BVI. Mr. Liu Xingxu, the Chairman of the Board and an executive Director of the Company as at the Latest Practicable Date, beneficially owned 42% of the equity interest in Pioneer Top, and held the remaining 58% of the equity interest in Pioneer Top in trust for 7 beneficiaries under a trust agreement dated 26 July 2016, comprising (i) 7% for Mr. Zhang Qingjin, an executive Director of the Company as at the Latest Practicable Date; (ii) 7% for Mr. Shang Dewei, a Company's employee; (iii) 7% for Mr. Zhu Xingye (retired); (iv) 16% for Mr. Li Buwen (retired); (v) 7% for Mr. Li Yunshun (retired); (vi) 7% for Mr. Ru Zhengtao (retired) and (vii) 7% for Mr. Wang Nairen (retired). Mr. Liu Xingxu has the absolute discretion to exercise the voting rights held by Pioneer Top in the Company in accordance with the aforesaid trust agreement dated 26 July 2016.
- (b) Go Power is an investment holding company established in the BVI. Ms. Yan Yunhua beneficially owned 12.74% of the equity interest in Go Power and held the remaining 87.26% of the equity interest in Go Power in trust for more than 1,000 beneficiaries under a trust agreement dated 26 July 2016. Ms. Yan Yunhua has the absolute discretion to exercise the voting rights held by Go Power in the Company in accordance with the aforesaid trust agreement dated 26 July 2016.

Save as disclosed above, as at the Latest Practicable Date, no person, other than the Directors and chief executive of the Company whose interests are set out in the section headed "Disclosure of Directors' and Chief Executive's Interests" above, had an interest or a short position in the Shares, underlying shares or debentures of the Company that was required to be recorded in the register maintained by the Company pursuant to Section 88 of the Companies Act and Section 336 of the SFO.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2023 AGM

Set out below are details of the Directors who will retire and offer themselves for re-election at the 2023 AGM according to the Constitution.

(1) MS. YAN YUNHUA

Position and experience

Ms. Yan Yunhua (“**Ms. Yan**”), aged 52, is principally in charge of the decision making with respect to all financial matters within the Group. Ms. Yan has 20 years of accounting and finance experience. Ms. Yan is currently the executive chairman of the Finance Research Committee of China Nitrogen Fertiliser Industry Association and the vice chairman of Henan Provincial Association of CFO. She joined Xinxiang Fertiliser Factory in December 1997 and held various positions in Xinxiang Fertiliser Factory, including the deputy head of finance division and the deputy chief accountant. She was also the chief accountant in charge of finance of XLX Chem from 2003 to July 2006. She was the deputy general manager of Henan XLX from July 2006 to April 2016, and has become the vice chairman of Henan XLX since April 2016. Ms. Yan obtained the “Accountant” certification from the Ministry of Finance of the PRC in May 1997 and obtained the “Senior Accountant” certification from Henan Province Accountant Series Senior Assessment Committee in December 2005. Ms. Yan was awarded the “Accountants Contribution Award” and “Excellent Leaders in the Enterprise Information construction of the China Petroleum and Chemical Industry” in the PRC in 2008, “Advanced Worker in Accounting of Henan Province” in 2009, “Labour Day Medal of Henan Province” in 2015, and “National Labour Day Medal” in 2019.

Save as disclosed above, Ms. Yan had not held other directorships in the last three years up to and including the Latest Practicable Date in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Ms. Yan has entered into a director’s service contract with the Company for a term of three years commencing from 28 March 2023, unless terminated in accordance with the provisions of the service contract by either party giving to the other not less than six months’ prior notice in writing. Ms. Yan is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Constitution.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2023 AGM

Relationships

Ms. Yan is the controlling shareholder and a director of Go Power, a substantial Shareholder. Save as disclosed above and disclosed in the immediately following section “Interests in Shares”, Ms. Yan does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Hong Kong Listing Rules), or controlling Shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Yan had the following interests in the Shares:

- (a) Ms. Yan was deemed to be interested in 255,965,000 Shares, representing approximately 20.84% of the total issued share capital of the Company, which were held by Go Power. Ms. Yan beneficially owned approximately 12.74% of the equity interest in Go Power and held the remaining approximately 87.26% of the equity interest in Go Power in trust for more than 1,000 beneficiaries under a trust agreement dated 26 July 2016. Pursuant to the said trust agreement, Ms. Yan is irrevocably granted the absolute discretion to exercise the voting rights in and the rights to the day-today management of Go Power; and
- (b) Ms. Yan beneficially held 300,000 Shares, representing approximately 0.02% of the total issued share capital of the Company.

Save as disclosed above, Ms. Yan was not interested or deemed to be interested in any Shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director’s emoluments

Pursuant to the abovementioned service contract, Ms. Yan is entitled to receive a fixed annual salary of RMB720,000, which is determined with reference to the prevailing market practice, the Company’s remuneration policy, and his duties and responsibilities within the Group. Ms. Yan is also entitled to 25% of the aggregate discretionary annual incentive bonus for the three executive Directors for a sum based on the audited profit of the Group after tax and non-controlling interest but before any extraordinary or exceptional items for each financial year. For the year ended 31 December 2022, Ms. Yan received salaries, allowances and an annual incentive bonus of RMB6,654,255.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2023 AGM

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information on Ms. Yan that is required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules; and there are no other matters concerning Ms. Yan that need to be brought to the attention of the Shareholders.

(2) MR. ONG KIAN GUAN

Position and experience

Mr. Ong Kian Guan (“**Mr. Ong**”), aged 55, has been appointed as an independent non-executive Director since 11 May 2007. He is also the chairman of the AC and a member of both the RC and the NC. He has more than 20 years of professional experience in financial audits of multinational corporations and public listed companies from diverse industries. He is a practising member and a fellow of the Institute of Singapore Chartered Accountants, and also a partner of Baker Tilly TFW LLP. He is also an independent non-executive director of Omnibridge Holdings Limited (a company listed on the Main Board of SEHK) since 15 December 2020. Mr. Ong resigned as an independent director of Alliance Mineral Assets Limited (a company listed on SGXST) with effect from 17 December 2019. He has ceased to be an independent non-executive director of IAG Holdings Limited and RMH Holdings Limited (both companies are listed on the GEM of SEHK) on 30 April 2020 and 24 September 2021 respectively. He is an independent non-executive director of Eindec Corporation Limited (a company listed on SGXST) since 23 April 2022. Mr. Ong is also a committee member of the Singapore Division of CPA Australia.

Save as disclosed above, Mr. Ong had not held other directorships in the last three years up to and including the Latest Practicable Date in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing appointment letter issued by the Company to Mr. Ong, his current term of office is three years commencing from 25 June 2021, unless terminated by either party giving to the other not less than three months’ prior notice in writing or in accordance with other terms of the appointment letter. Mr. Ong is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Constitution.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2023 AGM

Relationships

As far as the Directors are aware, Mr. Ong does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Hong Kong Listing Rules), or controlling Shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Ong beneficially held 100,000 Shares, representing approximately 0.01% of the total issued share capital of the Company.

Director's emoluments

Pursuant to the existing appointment letter, Mr. Ong is entitled to receive an annual director's fee of S\$90,000. All the fees and expenses properly and reasonably incurred by him in discharging his duties to the Company shall be borne by the Company. For the year ended 31 December 2022, Mr. Ong received a director's fee of S\$90,000.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information on Mr. Ong that is required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules; and there are no other matters concerning Mr. Ong that need to be brought to the attention of the Shareholders.

(3) MR. LI HONGXING

Position and experience

Mr. Li Hongxing (“**Mr. Li**”), aged 47, has been appointed as an independent non-executive Director since 16 May 2018. Mr. Li has been the Managing Director of CDG International Company Limited since 2016. Mr. Li served as the supervisor in Farasis Energy (GanZhou) Co., Ltd. (a company listed on the Shanghai Stock Exchange) from July 2020 to November 2020; and the head of energy, mining and equipment (corporate finance) in CITIC CLSA Securities from 2010 to 2016; and an equity analyst of HSBC with a focus on Asian oil and chemicals from 2007 to 2010. Before that, Mr. Li had worked in BP Group, Dongguan Nokia Mobile Phones Co., Ltd. and PricewaterhouseCoopers China.

Save as disclosed above, Mr. Li had not held other directorships in the last three years up to and including the Latest Practicable Date in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2023 AGM

Length of service

Pursuant to the existing appointment letter issued by the Company to Mr. Li, his current term of office is three years commencing from 16 May 2021, unless terminated by either party giving to the other not less than three months' prior notice in writing or in accordance with other terms of the appointment letter. Mr. Li is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Constitution.

Relationships

As far as the Directors are aware, Mr. Li does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Hong Kong Listing Rules), or controlling Shareholders (as defined in the Hong Kong Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Li was not interested or deemed to be interested in any Shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the abovementioned appointment letter, Mr. Li is entitled to receive an annual director's fee of S\$80,000. All the fees and expenses properly and reasonably incurred by him in discharging his duties to the Company shall be borne by the Company. For the year ended 31 December 2022, Mr. Li received a director's fee of S\$80,000.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information on Mr. Li that is required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules; and there are no other matters concerning Mr. Li that need to be brought to the attention of the Shareholders.

* Appendix III only contains those paragraphs that are proposed to be revised. Strike-through indicates deletion and underline indicates insertion.

THE COMPANIES ACT (CAP. 50)

=====

PUBLIC COMPANY LIMITED BY SHARES

=====

MEMORANDUM OF ASSOCIATION

OF

CHINA XLX FERTILISER LTD.*

1. ~~The name of the Company is “CHINA XLX FERTILISER LTD.”~~
2. ~~The registered office of the Company is to be situated in the Republic of Singapore.~~
3. ~~The liability of the members is limited.~~

* ~~Xin Lian Xin Holdings Pte. Ltd. change its name to China XLX Fertiliser Pte. Ltd. with effect from 22/02/2007. Subsequently, it convert to a public company on 15/05/2007 and is known as China XLX Fertiliser Ltd..~~

THE COMPANIES ACT 1967(CAP. 50)

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION* CONSTITUTION

OF

CHINA XLX FERTILISER LTD.

1. (A) The name of the Company is “CHINA XLX FERTILISER LTD.”

(B) The Company is a public company limited by shares and the liability of the Members is limited.

(C) The regulations in the model constitution prescribed under Section 36(1) of the Act (as defined below) Table A in the Fourth Schedule to the Companies Act, Chapter 50 (as amended) shall not apply to the Company.

(D) Subject to the provisions of the Act (as defined below), any other written law and this Constitution (as defined below), the Company has:

(a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and

(b) for the purposes of paragraph (a) above, full rights, powers and privileges.

(E) The registered office of the Company is to be situated in the Republic of Singapore.

2. In these Articles this Constitution (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively.

“these Articles” ————— These Articles of Association as from time to time amended.

“Annual General Meeting” ————— An annual general meeting of the Company.

* Adopted, to take effect from the date of conversion of the Company into a public company, by a Special Resolution passed on 11 May 2007 and further amended by a Special Resolution passed in 2009.

“the Act”	The Companies Act, Chapter 50-1967 of Singapore or any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other act for the time being in force concerning companies and affecting the Company and any reference to any provision as so modified, amended or re-enacted or contained in any such subsequent Companies Act.
<u>“address” or “registered address”</u>	<u>In respect of any Member, his physical address for the service or delivery of notices or documents personally or by post, unless otherwise expressly provided in this Constitution.</u>
“associate”	<u>H</u> has the meaning attributed to it in the rules of the Designated Stock Exchange.
“Board”	<u>T</u> he board of Directors of the Company.
“book-entry securities”	Listed securities:— (a) documents of title to which are deposited by a Depositor with the <u>Depository</u> CDP or a clearing house (as the case may be) and are registered in the name of the <u>Depository</u> CDP, a clearing house or their <u>its</u> respective nominee; and
<u>“CDP”</u>	The Central Depository (Pte) Limited established by the Designated Stock Exchange or any other corporation appointed by the Minister as a depository company or corporation for the purpose of the Act, which as bare trustee operates the Central Depository System for the holding and transfer of book-entry securities.
“Chairman”	<u>T</u> he chairman of the Directors or the chairman of the General Meeting as the case may be.

“Chief Executive Officer”	Shall have the meaning attributed to it in the Act.
“clearing house”	a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.
“clear days”	In relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
“Constitution”	The constitution of the Company as may be amended from time to time.
“Depositor”, “Depository”, “Depository Agent” and “Depository Register”	<u>Shall have the meanings ascribed to them respectively in Section 81SF of the SFA. A Depository Agent or a Direct Account Holder to the balance of whose Securities Account any shares are credited, but excluding a sub-account holder.</u>
“Depository Agent”	<p>A member company of the Singapore Exchange Securities Trading Limited, a trust company (registered under the Trust Companies Act, Chapter 336), a banking corporation or merchant bank (approved by the Monetary Authority of Singapore under the Monetary Authority of Singapore Act, Chapter 186), or any other person or body approved by CDP who or which:—</p> <p>(a) performs services as a depository agent for sub-account holders in accordance with the terms of a depository agent agreement entered into between CDP and the Depository Agent;</p> <p>(b) deposits book-entry securities with CDP on behalf of the sub-account holders; and</p> <p>(c) establishes an account in its name with CDP.</p>

“Depository Register”	A register maintained by CDP or a clearing house (as the case may be) in respect of book-entry securities.
“Designated Stock Exchange”	The Singapore Exchange Securities Trading Limited for so long as the shares of the Company are listed and quoted on the Singapore Exchange Securities Trading Limited, The Stock Exchange of Hong Kong Limited (the “SEHK”) for so long as the shares of the Company are listed on the SEHK and/or such other stock exchange in respect of which the shares of the Company are listed or quoted.
“Direct Account Holder”	A person who has a securities account directly with CDP or a clearing house (as the case may be) and not through a Depository Agent.
“electronic communication”	Shall have the meaning ascribed to it in the Act and shall include any statutory modification, amendment or re-enactment thereof.
“in writing” or “written”	Written or produced by any substitute for writing or partly one and partly the other and shall include (except where otherwise expressly specified in this Constitution or the context otherwise requires, and subject to any limitations, conditions or restrictions contained in the Act) any representation or reproduction of words, symbols or other information which may be displayed in a visible form, whether in a physical document or in an electronic communication or form or otherwise howsoever.
“Liquidator”	A liquidator appointed in accordance with the <u>Insolvency, Restructuring and Dissolution Act 2018 (No. 40 of 2018)</u>.
“Managing Director”	Any person appointed by the Directors to be managing director or executive chairman of the Company and the expression “Managing Director” shall include any equivalent appointment(s) howsoever described.

“Member”	A member of the Company, save that references in these Articles <u>this Constitution</u> to “Member(s)” shall where the Act requires, exclude the Company where it is a member by reason of its holding of its shares as treasury shares.
“Regulations”	The regulations of the Company contained in this <u>Constitution for the time being in force and as may be amended from time to time.</u>
“Securities Account”	The securities account maintained by a <u>D</u> depositor with the <u>Depository</u> . CDP or a clearing house (as the case may be).
“SFA”	<u>The Securities and Futures Act 2001 of Singapore.</u>
“Singapore”	<u>The Republic of Singapore.</u>
“S\$”	<u>Singapore dollars.</u>
“treasury shares”	means shares of the Company which are purchased or otherwise acquired by a company in accordance with <u>S</u> sections 76B to 76G of the Act <u>and has been held by the Company continuously since the treasury share was so purchased.</u>

All such of the provisions of these ~~Articles~~ Regulations as are applicable to paid-up shares shall apply to stock, and the words “share” and “shareholder” shall be construed accordingly.

References in the ~~Articles~~ Regulations to “holder” or “holder(s)” of shares or a class of shares shall:—

- (a) exclude ~~CDP~~ the Depository or its nominee (as the case may be), except where otherwise expressly provided in these ~~Articles~~ Regulations, or where the term “registered holders” or “registered holder” is used in these ~~Articles~~ Regulations;
- (b) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares; and
- (c) except where expressly provided in these ~~Articles~~ Regulations, exclude the Company in relation to shares held by it as treasury shares.

and “holding” and “held” shall be construed accordingly.

The expressions “current address”, “electronic communication” and “relevant intermediary” shall have the meanings ascribed to them respectively in the Act.

Subject as aforesaid, any words or expression defined in the Act or the Interpretation Act 1965 of Singapore, Chapter 1 shall (if not inconsistent with the subject or context) bear the same meanings in these ArticleRegulations.

The headnotes are inserted for convenience only and shall not affect the construction of these Regulations.

References in these ArticleRegulations to any enactment is a reference to that enactment as for the time being amended or re-enacted.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these ArticleRegulations.

ISSUE OF SHARES

3. (A) Subject to the Act and to these ArticleRegulations, no shares may be issued by the Directors without the prior approval of the Company in General Meeting pursuant to Section 161 of the Act, but subject thereto and the terms of such approval, and to ArticleRegulation 5, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and whether or not subject to the payment of any part of the amount thereof in cash or otherwise as the Directors may think fit, subject to the Statutes and such limitation thereof as may be prescribed by the Designated Stock Exchange, and any shares may, subject to compliance with the Statutes including Sections 64A, 70 and 75 of the Act and such limitation thereof as may be prescribed by the Designated Stock Exchange, be issued with such preferential, deferred, qualified or special rights, privileges, conditions or restrictions, whether as regards Dividend, return of capital, participation in surplus assets and profits, voting, conversion or otherwise, as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors in accordance with the Act, Provided Always that no options shall be granted over unissued shares except in accordance with the Act and the Designated Stock Exchange’s listing rules. 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.

(C) Except so far as otherwise provided by the conditions of issue or by these ArticleRegulations, all new shares shall be issued subject to the provisions of the Statutes and of these ArticleRegulations with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture or otherwise.

(D) The Company may issue shares for which no consideration is payable to the Company.

5. (A) Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted by the rules of the Designated Stock Exchange, all new shares shall before issue be offered to such persons who as at the date (as determined by the Directors) of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this ~~Article~~Regulation 5(A).

(B) Notwithstanding ~~Article~~Regulation 5(A) above, the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:—

Provided that:—

(2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the listing rules of the Designated Stock Exchange for the time being in force (unless such compliance is waived by the Designated Stock Exchange) and these ~~Article~~Regulations; and

(C) The Company may, notwithstanding ~~Article~~Regulations 5(A) and 5(B) above, authorize the Directors not to offer new shares to Members to whom by reason of foreign securities laws, such offers may not be made without registration of the shares or a prospectus or other document, but to sell the entitlements to the new shares on behalf of such Members on such terms and conditions as the Company may direct.

6. Unless otherwise specified or restricted by law, tThe Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. Any expenses (including commissions or brokerage) incurred directly by the Company in the issue of new shares may be paid out of the proceeds of the issue or the Company's share capital. Such payment shall not be taken as reducing the amount of share capital in the Company.

7. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital (except treasury shares) as is for the time being paid up for the period and charge the same to capital as part of the cost of the construction of the works or buildings or the provision of the plant, subject to the conditions and restrictions mentioned in the Act.

8. (A) Preference shares may be issued subject to such limitation thereof as may be prescribed by the Designated Stock Exchange. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and ~~balance-sheets~~financial statements and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any General Meeting convened for the purpose of reducing capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the General Meeting directly affects their rights and privileges or when the Dividend on the preference shares is more than six months in arrears.

(C) The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.

VARIATION OF RIGHTS

9. (A) Whenever the share capital of the Company is divided into different classes of shares, the variation or abrogation of the special rights attached to any class may, subject to the provisions of the Act and such limitations as may be prescribed by the Designated Stock Exchange, be made either with the consent in writing of the holders of three-quarters of the total number of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so made either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these ~~Article~~Regulations relating to General Meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two or more persons holding at least one-third of the total number of the issued shares of the class present in person or by proxy or attorney and that any holder of shares of the class present in person or by proxy or attorney may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him where the class is a class of equity shares within the meaning of Section 64(1) of the Act or at least one vote for every share of the class where the class is a class of preference shares within the meaning of Section 180(2) of the Act, Provided Always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, the consent in writing, if obtained from the holders of three-quarters of the total number of the issued shares of the class concerned within two months of such General Meeting, shall be as valid and effectual as a Special Resolution carried at such General Meeting.

(B) The provisions in ~~Article~~Regulation 9(A) shall *mutatis mutandis* apply to any repayment of preference capital (other than redeemable preference capital) and any variation or abrogation of the rights attached to preference shares or any class thereof.

ALTERATION OF SHARE CAPITAL

10. (A) Subject to the Statutes and the rules of the Designated Stock Exchange, as applicable, tThe Company may by Ordinary Resolution:—

- (c) convert its share capital or any class of shares from one currency to another currency~~convert or exchange any class of shares into or for any other class of shares;~~

(B) Subject to the provisions of the Statutes, the Company may by Special Resolution convert or exchange any class of shares into or for any other class of shares.

11. (A) ~~Subject to a special resolution being passed by the shareholders of the Company in general meeting and court approval being obtained~~the provision of the Statutes, the Company may reduce its share capital or any other undistributable reserve in any manner permitted, and with, and subject to, any incident authorized, and consent or confirmation required, by law and by way of special resolution with approval from the court in reducing its share capital.

(B) The Company may purchase or otherwise acquire its issued shares (which expression as used in this ~~Article~~Regulation includes redeemable Shares) out of distributable profits of the Company or out of the proceeds of a fresh issue of shares made for the purposes of such purchase or acquisition subject to and in accordance with the provisions of the Statutes and any applicable rules of the Designated Stock Exchange hereafter, the “Relevant Laws”), on such terms and subject to such conditions as the Company may in General Meeting prescribe in accordance with the Relevant Laws. Any shares purchased or acquired by the Company as aforesaid shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with the Relevant Laws. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these ~~Article~~Regulations and the Statutes, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.

SHARE CERTIFICATES

12. (A) Every certificate shall be issued in accordance with the requirements of the Act and be under the Seal or signed in the manner set out in the Act and shall bear the electronic or facsimile signatures or the autographic signatures at least of any two Directors or one of the Director and the Secretary or a Director signing in the presence of a witness who attests the signatures~~such other person as may be authorised by the Directors~~, and shall specify the number and class of shares to which it relates, whether the shares are fully or partially paid up and the amount paid up and the amount (if any) unpaid thereon. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Directors of the Company. No certificate shall be issued representing shares of more than one class.

(B) The provisions in this ~~Article~~Regulation and in ~~Article~~Regulations 13 to 16 (so far as they are applicable) shall not apply to transfers of book-entry securities.

CALLS ON SHARES

20. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these ~~Article~~Regulations be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In the case of non-payment, all the relevant provisions of these ~~Article~~Regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

FORFEITURE AND LIEN

28. The Company shall have a first and paramount lien on every share (not being a fully paid share) and Dividends from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this ~~Article~~Regulation 28.

TRANSFER OF SHARES

32. All transfers of shares shall be effected by written instruments of transfer in the form for the time being approved by the Directors and the Designated Stock Exchange. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, provided always that an instrument of transfer in respect of which the transferee is the Depository CDP shall be effective although not signed or witnessed by or on behalf of the Depository CDP, 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 Directors may approve from time to time.~~ The transferor shall be deemed to remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

34. (A) There shall be no restriction on the transfer of fully paid up shares (except where required by law or by the rules, bye-laws or listing rules of the Designated Stock Exchange) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien, and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve, Provided Always that in the event of the Directors refusing to register a transfer of shares, the Company shall within ten market days (or such period as the Directors may determine having regard to any limitation thereof as may be prescribed by the Designated Stock Exchange from time to time) after the date on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes and the rules of the Designated Stock Exchange.

36. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all Dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, Provided Always that:—

- (a) the Company shall adequately record for future references the information required to be contained in any Company records;
- (ba) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

- (~~cb~~) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this ~~Article~~Regulation; and
- (~~de~~) references herein to the destruction of any document include references to the disposal thereof in any manner.

TRANSMISSION OF SHARES

38. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, elect either to be registered himself as holder of the share or to have another person nominated by him registered as the transferee thereof. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he elects to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these ~~Article~~Regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

39. Save as otherwise provided by or in accordance with these ~~Article~~Regulations, a person becoming entitled to a share in consequence of the death or bankruptcy of a Member (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same Dividends and other advantages as those to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to General Meetings of the Company until he shall have been registered as a Member in respect of the share or named in the Depository Register as the Depositor in respect thereof, as the case may be.

~~CENTRAL DEPOSITORY SYSTEM~~ THE DEPOSITORY

41. A reference to a Member shall be a reference to a registered holder of shares in the Company, or where such registered holder is the Depository ~~CDP or a clearing house (as the case may be)~~, the Depositors on behalf of whom the Depository ~~CDP or a clearing house (as the case may be)~~ holds the shares, Provided that:—

(a) a Depositor shall only be entitled to attend any General Meeting and to speak and vote thereat if his name appears on the Depository Register maintained by the Depository ~~CDP or a clearing house (as the case may be)~~ seventy-two (72) ~~forty-eight (48)~~ hours before the General Meeting as a Depositor on whose behalf the Depository ~~CDP or a clearing house (as the case may be)~~ holds shares in the Company, the Company being entitled to deem each such Depositor, or each proxy of a Depositor who is to represent the entire balance standing to the Securities Account of the Depositor, to represent such number of shares as is actually credited to the Securities Account of the Depositor as at such time, according to the records of the Depository ~~CDP or the clearing house (as the case may be)~~ as supplied by the Depository ~~CDP or the clearing house (as the case may be)~~ to the Company, and where a Depositor has apportioned the balance standing to his Securities Account between two proxies, to apportion the said number of shares between the two proxies in the same proportion as previously specified by the Depositor in appointing the proxies; and accordingly no instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the proportion of Depositor's shareholding specified in the instrument of proxy, or where the balance standing to a Depositor's Securities Account has been apportioned between two proxies the aggregate of the proportions of the Depositor's shareholding they are specified to represent, and the true balance standing to the Securities Account of a Depositor as at the time of the General Meeting, if the instrument is dealt with in such manner as is provided above;

(b) the payment by the Company to the Depository ~~CDP or a clearing house (as the case may be)~~ of any Dividend payable to a Depositor shall to the extent of the payment discharge the Company from any further liability in respect of the payment;

(c) the delivery by the Company to the Depository ~~CDP or a clearing house (as the case may be)~~ of provisional allotments or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other preferential offering or bonus issue shall to the extent of the delivery discharge the Company from any further liability to each such Depositor in respect of his individual entitlement; and

(d) the provisions in these ~~Article~~ Regulations relating to the transfers, transmissions or certification of shares shall not apply to the transfer of book-entry securities (as defined in the Statutes).

EXCLUSION OF EQUITIES

42. Except as required by the Statutes or law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these ~~Articles~~ Regulations or by the Statutes or law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) whose name is entered in the Register of Members as the registered holder thereof or (where the person entered in the Register of Members as the registered holder of a share is the Depository) the person whose name is entered in the Depository Register in respect of that share in the registered holder. ~~and Nothing contained herein in this Regulation in these Articles contained relating to the Depository CDP or a clearing house (as the case may be) or to Depositors or in any depository agreement made by the Company with any common depository for shares shall in any circumstances be deemed to limit, restrict or qualify the above.~~

REGISTER OF MEMBERS

42A. (1) The Company shall keep in one or more books a Register of Members in accordance with the Statutes and shall enter therein the following particulars, that is to say:

- (a) the name and address of each Member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;
- (b) the date on which each person was entered in the Register of Members; and
- (c) the date on which any person ceased to be a Member.

42B. The Register of Members 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 S\$2.50 or such lesser sum specified by the Board, at the Office or such other place at which the Register of Members is kept in accordance with the Law or, if appropriate, upon a maximum payment of S\$1.00 or such lesser sum specified by the Board at the Registration Office. The Register of Members 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 in accordance with the terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) 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.

RECORD DATES

42C. Notwithstanding any other provision of these ~~Article~~Regulations, but subject to the Statutes and the rules of the Designated Stock Exchange, the Company or the Directors may fix any date as the record date for:

- (a) determining the Members entitled to receive any dividend, distribution, allotment or issue; and
- (b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

STOCK

44. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same ~~Article~~Regulations as and subject to which the shares from which the stock arose might previous to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.

GENERAL MEETINGS

46. Subject to the Statutes and the rules of the Designated Stock Exchange, a~~An Annual General Meeting shall be held once in every financial year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting)~~ and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed ~~six four~~ six months or such other period as prescribed by the Act or other legislation applicable to the Company and as approved by the relevant authorities (as applicable) from time to time.

47. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting or in default, the Extraordinary General Meeting may be convened by such requisitionists, including Members holding a minority stake in the Company which have shareholdings not less than 10% of the total number of paid-up shares as at the date of the requisition carrying the right of voting at general meetings.-

NOTICE OF GENERAL MEETINGS

48. Any Annual General Meeting shall be called by twenty-one clear business days' notice in writing at the least and any Extraordinary General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be also called by twenty-one clear business days' notice in writing at the least. All other Extraordinary General Meetings, shall be called by fourteen clear business days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the General Meeting is to be held and shall be given in manner hereinafter mentioned to all Members other than such as are not under the provisions of these ~~Article~~Regulations entitled to receive such notices from the Company, Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:—

- (a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. of the total voting rights of all the Members having a right to vote at thereat;

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. So long as the shares of the Company are listed on the Designated Stock Exchange, ~~a~~At least fourteen clear business days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to the Designated Stock Exchange, and in the case of any Annual General Meeting or any Extraordinary General Meeting at which it is proposed to pass a Special Resolution, at least twenty-one clear business days' notice in writing of such Annual General Meeting or Extraordinary General Meeting shall be given to the Designated Stock Exchange. For the avoidance of doubt, "business day" shall mean any day on which the Stock Exchange of Hong Kong Limited is open for business of dealing in securities.

49. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint ~~more than one proxy~~ proxy or proxies to attend and vote instead of him and that a proxy need not be a Member of the Company.

50. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:—

- (b) receiving and adopting the financial statements, Directors' statement, Auditors' report ~~accounts, the reports of the Directors and Auditors~~ and other documents required to be attached or annexed to the ~~accounts~~ financial statements;
- (d) appointing or re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);

PROCEEDINGS AT GENERAL MEETINGS

53. No business other than the appointment of a Chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two Members present (including attendance by electronic means) in person 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), provided that (i) a proxy representing more than one Member shall only count as one Member for purpose of determining if the quorum aforesaid is present; ~~and~~ (ii) where a Member is represented by more than one proxy, such proxies of such Member shall only count as one Member for purposes of determining if the quorum aforesaid is present and (iii) for the purposes of a quorum, joint holders of any share shall be treated as one Member.

58. (A) If required by the rules of the Designated Stock Exchange, aAt any General Meeting all resolutions put to the vote of the meeting shall be decided on a poll.

(B) Subject to Regulation 58(A), at any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

(a) the Chairman of the General Meeting in accordance with the rules of the Designated Stock Exchange; or

(d)

~~(e)~~(d) by a Member or Members present in person or by proxy (where a Member has appointed more than one (1) proxy, any one (1) of such proxies may represent that member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing 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 five per cent. of the total sum paid up on all the shares conferring that right.

59. Unless a poll is required, a declaration by the chairman of the General Meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken at such time and place and in such manner (including the use of ballot or voting papers or tickets or electronic means) as the chairman of the General Meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the General Meeting may (and if required by the rules of the Designated Stock Exchange or so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

60. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded or taken shall be entitled to a casting vote.

VOTES OF MEMBERS

62. Subject to any special rights or restrictions as to voting attached by or in accordance with these ~~Article~~Regulations to any class of shares, and to ~~Article~~Regulation 4, each Member entitled to vote may vote in person or by proxy. ~~A resolution put to the vote of a meeting shall be decided on a poll by~~ Every Member who is present in person or by proxy shall have:

- (a) on a poll, one vote for every share of which he holds or represents; and
- (b) on a show of hands, one vote, provided always that:
 - (i) in the case of a Member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that Member or, failing such determination, by the chairman of the Meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and
 - (ii) in the case of a Member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.

For the purposes of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the references to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at ~~seventy-two (72)~~48 hours before the time of the relevant General Meeting as certified by ~~CDP or a clearing house (as the case may be)~~the Depository to the Company. A Member who is bankrupt shall not, while his bankruptcy continues, be entitled to exercise his rights as a Member, or attend, vote or act at any General Meeting.

~~65A. 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.~~

68. (A) Save as otherwise provided in the Act and the rules of the Designated Stock Exchange:

(i) a Member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such Member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and

~~(ii) a Member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member (which number and class of shares must be specified). A Member shall be entitled to appoint more than one proxy to attend and vote at the same General Meeting.~~

However, if the Member is a Depositor, the Company shall be entitled and bound:—

- (a) to reject any instrument of proxy lodged by the Depositor if it is not shown in the Depository Register as certified by ~~CDP or a clearing house (as the case may be)~~ the Depository to the Company that there are any shares entered against such Depositor's name, as at seventy-two (72) ~~48~~-hours before the time of the relevant General Meeting; and
- (b) to accept the number of shares entered against the name of that Depositor in the Depository Register as certified by the Depository ~~CDP or a clearing house (as the case may be)~~ to the Company as at seventy-two (72) ~~48~~-hours before the time of the relevant General Meeting as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll, regardless of whether such number is greater or smaller than the number specified in the instrument of proxy lodged by that Depositor.

(B) Where a Member appoints more than one proxy, the Member shall specify the proportion of his shares to be represented by each such proxy and where the Member is a relevant intermediary, the number and class of shares in relation to which each proxy has been appointed, failing which the nomination shall be deemed to be alternative.

69. (A) An instrument appointing a proxy for any Member shall be in writing in any usual or common form or in any other form which the Directors may approve (provided that this shall not preclude the use of the two-way form) and:—

- (a) in the case of an individual Member, shall be
 - (i) signed by the Member or his attorney duly authorised in writing if the instrument is delivered personally or sent by post; or
 - (ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is permitted by law to be submitted and is submitted by electronic communication; and
- (b) in the case of a Member which is a corporation shall be
 - (i) either given under its common seal (or by signatures of authorised persons in the manner set out under the Act as an alternative to sealing) or signed on its behalf by an attorney duly authorised in writing or a duly authorized officer of the corporation if the instrument is delivered personally or sent by post; or
 - (ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is permitted by law to be submitted and is submitted by electronic communication.

The Directors may, for the purposes of this Regulation and to the extent permitted by law, designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(B) The signatures on, or authorisation of, an instrument of proxy need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of a Member by an attorney, the letter or power of attorney or a duly certified copy thereof shall (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following ~~Article~~Regulation, failing which the instrument of proxy may be treated as invalid.

70. (A) An instrument appointing a proxy, together with the power of attorney or other authority, if any, under which the instrument of proxy is signed or a duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy; must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the General Meeting (or, if no place is so specified, at the Office)

- (a) if sent personally or by post, must be left at the Office or such other place (if any) as is specified for the purpose in the notice convening the General Meeting; or
- (b) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of notice to or in any document accompanying the notice convening the General Meeting,

and in either case, not less than ~~seventy-two (72) forty-eight~~ hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the General Meeting as for the meeting to which it relates, Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

(B) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in Regulation 70(A)(b). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 70(A)(a) shall apply.

(C) Where a Member appoints a proxy in respect of more shares than the shares standing to his name in the Register of Members, or in the case of a Depositor, standing to the credit of that Depositor's Securities Account, such proxy may not exercise any of the votes or rights of the shares not registered to the name of that Member in the Register of Members or standing to the credit of that Depositor's Securities Account as at the cut-off time, as the case may be.

(D) A Member who has deposited an instrument appointing any number of proxies to vote on his behalf at a General Meeting shall not be precluded from attending, speaking and voting in person at that General Meeting, subject to the Statutes. Any such appointment of all the proxies concerned shall be deemed to be revoked upon the attendance of the Member appointing the proxy/proxies at the relevant General Meeting.

71. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto, and to speak at the General Meeting.

72. A vote cast by proxy shall not be invalidated by the previous death or mental disorder ~~insanity~~ of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made provided that no intimation in writing of such death, ~~insanity~~ mental disorder or revocation shall have been received by the Company at the Office at least one hour before the commencement of the General Meeting or adjourned General Meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

73. Subject to these ~~Article~~Regulations and the Statutes and the rules of the Designated Stock Exchange, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

CORPORATIONS ACTING BY REPRESENTATIVES

74. Any corporation which is a Member of the Company may by resolution of its Directors or other governing body authorize such person as it thinks fit to act as its representative at any General Meeting. The person so authorized shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company and such corporation shall for the purposes of these ~~Article~~Regulations (but subject to the Act) be deemed to be present in person at any such meeting if a person so authorized is present thereat.

DIRECTORS

81. Subject to the Act, a~~A~~ Director or Chief Executive Officer may be party to or be in any way, whether directly or indirectly, interested in any ~~contract or arrangement or transaction~~ or proposed ~~contract or arrangement or transaction~~ to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested and he (or any firm of which he is a member) may act in a professional capacity for the Company or any such other company and be remunerated therefor and in any such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof, provided that he shall declare his interest in accordance with Section 156 of the Act~~declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.~~ For the purposes of this ~~Article~~ 81, a general notice to the Board by a Director to the effect that:

- (a) ~~he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or~~

(b) ~~he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him;~~

~~shall be deemed to be a sufficient declaration of interest under this Article 81 in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.~~

82. (B) The appointment of any Director to the office of Chairman or Deputy Chairman or ~~Managing or Joint Managing or Deputy or Assistant Managing Director~~ Chief Executive Officer shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

(C) The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

83A. The Board shall obtain the approval of the Company in General Meeting in accordance with Section 168 of the Act before making any payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

CHIEF EXECUTIVE OFFICER ~~MANAGING DIRECTORS~~

84. The Directors may from time to time appoint one or more of their body to be Chief Executive Officer ~~Managing Director or Managing Directors~~ of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their places. Where such an appointment of a Chief Executive Officer is for a fixed term such term shall not exceed five years.

85. A Chief Executive Officer ~~Managing Director~~ who is a Director shall be subject to the provisions of any contract between him and the Company, and be subject to the same provisions as to resignation and removal as the other Directors of the Company and if he ceases to hold the office of Director from any cause he shall *ipso facto* and immediately cease to be a Chief Executive Officer ~~Managing Director~~.

86. The remuneration of a Chief Executive Officer ~~Managing Director~~ shall from time to time be fixed by the Directors and may subject to these ~~Article~~Regulations be by way of salary or commission or participation in profits or by any or all these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

87. A Chief Executive Officer ~~Managing Director~~ shall at all times be subject to the control of the Directors but subject thereto the Directors may from time to time entrust to and confer upon a Chief Executive Officer ~~Managing Director~~ for the time being such of the powers exercisable under these ~~Article~~Regulations by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

APPOINTMENT AND RETIREMENT OF DIRECTORS

88. The Company may by Ordinary Resolution appoint any person to be a Director either as an additional Director or to fill a casual vacancy. Without prejudice thereto the Directors shall also have power at any time so to do, but so that the total number of Directors shall not thereby exceed the maximum number fixed by or in accordance with these ~~Article~~Regulations. Any person so appointed by the Directors shall hold office only until the first next Annual General Meeting after his appointment and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

91. The Company at an General Meeting at which a Director retires under any provision of these ~~Article~~Regulations may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default, the retiring Director shall be deemed to have been re-elected except in any of the following cases:—

- (c) where the default is due to the moving of a resolution in contravention of the next following ~~Article~~Regulation; or

94. The office of a Director shall be vacated in any of the following events, namely:—

- (d) if he becomes ~~of unsound mind~~ mentally disordered or incapable of managing himself or his affairs, or if in Singapore or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
- (f) if he is removed by the Company in General Meeting pursuant to these ~~Article~~Regulations.

95. The Company may in accordance with and subject to the provisions of the Statutes, by Ordinary Resolution of which special notice has been given, remove any Director from office (notwithstanding any provision of these ArticleRegulations or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office, and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director.

ALTERNATE DIRECTORS

96. (C) An alternate Director shall (except when absent from Singapore) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director, and for the purposes of the proceedings at such meeting the provisions of these ArticleRegulations shall apply as if he (instead of his principal) were a Director. If his principal is for the time being absent from Singapore or temporarily unable to act through ill health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. To such extent as the Directors may from time to time determine in relation to any committees of the Directors, the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his principal is a member. An alternate Director shall not (save as aforesaid) have any power to act as a Director nor shall he be deemed to be a Director for any other purposes of these ArticleRegulations.

MEETINGS AND PROCEEDINGS OF DIRECTORS

97. Subject to the provisions of these ArticleRegulations, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time, any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Singapore. Any Director may waive notice of any meeting and any such waiver may be retroactive. Directors may participate in a meeting of the Directors by means of a conference telephone, video conferencing, audio visual, or other similar communications equipment by means of which all persons participating in the meeting can hear each other, without a Director being in the physical presence of another Director or Directors, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. A Director participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Such a meeting shall be deemed to take place where the largest group of Directors physically present for the purpose of the meeting is assembled or, if there is no such group, where the Chairman of the meeting is physically present.

101. The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these ArticleRegulations, the continuing Directors or Director may, except in an emergency, act for the purpose of filling up such vacancies or of summoning General Meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two Members may summon a General Meeting for the purpose of appointing Directors.

103. A resolution in writing signed by the majority of the Directors or their alternates (who are not prohibited by these ArticleRegulations from voting on such resolutions), being not less than are sufficient to form a quorum shall be as effective as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form, each signed by one or more Directors. The expressions “in writing” and “signed” include approval by any such Director by telefax, telex, cable or telegram or any form of electronic communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

105. The meetings and proceedings of any such committee consisting of two or more Members shall be governed *mutatis mutandis* by the provisions of these ArticleRegulations regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding ArticleRegulation.

GENERAL POWERS OF DIRECTORS

109. The business and affairs of the Company shall be managed by or under the direction or supervision of the Directors, who may exercise all such powers of the Company as are not by the Statutes or by these ArticleRegulations required to be exercised by the Company in General Meeting, subject nevertheless to any regulations of these ArticleRegulations, to the provisions of the Statutes and to such regulations, being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by Special Resolution of the Company, but no regulation so made by the Company shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The general powers given by this ArticleRegulation shall not be limited or restricted by any special authority or power given to the Directors by any other ArticleRegulation.

110. The Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company’s undertaking save in accordance with the Act and the listing rules of the Designated Stock Exchange.

112. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these ~~Articles~~Regulations) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorize any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

115. The Directors shall cause minutes to be duly made and entered in books provided for such purpose:—

- (c) of all resolutions and proceedings at all meetings of the Company, of the Directors and of any committee of Directors and Chief Executive Officers.

115A. Except as would, as 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~~Regulations, and except as permitted under the Act, if it is were a company incorporated in Hong Kong, the Company shall not directly or indirectly:

- (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~~
- (iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) an interest in 20% or more of the total number of equity shares (excluding treasury shares) ~~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.;
- (iv) take part in an arrangement under which (i) another person enters into a transaction that, if it had been entered into by the Company, would have been a restricted transaction under Sections 162(1)(a), (b), (c), (d) and (f) of the Act and (ii) that person, pursuant to the arrangement, obtains a benefit from the Company or a company which is deemed to be related to the Company under Section 6 of the Act; or
- ~~(iii)~~(v) arranges the assignment to the company, or assumption by the company, of any rights, obligations or liabilities under a transaction that, if it had been entered into by the company, would have been a restricted transaction under Sections 162(1)(a) to (e) of the Act.

115B. A company that is a member of a group of companies of which the Company is a member, shall not directly or indirectly:

- (iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) an interest in 20% or more of the total number of equity shares (excluding treasury shares) ~~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.

~~Article 115A shall only have effect for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited.~~

SECRETARY AND SEAL

117. (A) The Directors shall provide for the safe custody of the Seal (if any) which shall not be used without the authority of the Directors or of a committee authorized by the Directors in that behalf.

(B) The general powers given by this ~~Article~~Regulation shall not be limited or restricted by any special authority or power given to the Directors by any other ~~Article~~Regulation.

(C) The Company may exercise the powers conferred by the Act with regard to the dispensation of the requirement of having a Seal as referred to in Section 41A of the Act and alternatives to sealing as referred to in Sections 41B and 41C of the Act.

KEEPING OF STATUTORY RECORDS

120. (A) Any register, index, minute book or financial statements and records book of account required to be kept by the Company under the Statutes may subject to and in accordance with the Statutes, be kept either in hard copy or in electronic form, and arranged in the manner that the Directors think fit. If such records are kept in electronic form, the Directors shall ensure that they are capable of being reproduced in hard copy form, and shall provide for the manner in which the records are to be authenticated and verified. In any case where such records are kept otherwise than in hard copy form, be kept either by making entries in a bound book or (subject to the Directors shall take reasonable precautions for ensuring the proper maintenance and authenticity of such records, guarding against falsification and facilitating the for discovery of any falsification, and to the provision of proper facilities for inspection to the persons entitled to inspection) by recording in any other permanent manner. The Company shall cause true English translations of all financial statements and records accounts, minute books or other records required to be kept by the Company under the Statutes which are not kept in English to be made from time to time at intervals of not more than seven days, and shall keep the translations with the originals for so long as the originals are required under the Statutes to be kept. The Company shall also keep at the Office certified English translations of all instruments, certificates, contracts or documents not written in English which the Company is required under the Statutes to make available for public inspection.

(B) The Directors shall duly comply with the provisions of the Act in relation to the keeping of any registers or books and the registration of any particulars and provision of information to the Registrar of Companies.

AUTHENTICATION OF DOCUMENTS

121. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee and any books, records, documents, financial statements and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and where any books, records, documents, financial statements or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee, which is certified as aforesaid, shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this ~~Article~~Regulation may be made by any electronic means approved by the Directors from time to time for such purpose incorporating, if the Directors deem necessary, the use of security procedures or devices approved by the Directors.

DIVIDENDS

125. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:—

- (a) all Dividends in respect of shares must be paid in proportion to the number of shares held by a Member, but where shares are partly paid, all Dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
- (b) all Dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the Dividend is paid.

For the purposes of this ~~Article~~Regulation, an amount paid or credited as paid on a share in advance of a call is to be ignored.

126. (A) No Dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All Dividends remaining unclaimed after one year from having been first payable may be invested or otherwise made use of by the Directors for the benefit of the Company, and any Dividend or any such moneys unclaimed after six (6) years from having been first payable shall be forfeited and shall revert to the Company provided always that the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the Dividend so forfeited to the person entitled thereto prior to the forfeiture. If ~~the Depository~~CDP ~~or a clearing house (as the case may be)~~ returns any such Dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such Dividend or moneys against the Company if a period of six years has elapsed from the date of the declaration of such Dividend or the date on which such other moneys are first payable.

(B) A payment by the Company to ~~the Depository~~CDP ~~or a clearing house (as the case may be)~~ of any Dividend or other moneys payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability to the Depositor in respect of that payment.

BONUS ISSUES AND CAPITALIZATION OF PROFITS AND RESERVES

134. (A) The Directors may, with the sanction of an Ordinary Resolution of the Company (including any Ordinary Resolution passed pursuant to ~~Article~~Regulation 5(B)):

- (a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) the Depository Register at the close of business on:
 - (ii) (in the case of an Ordinary Resolution passed pursuant to ~~Article~~Regulation 5(B)) such other date as may be determined by the Directors, in proportion to their then holdings of shares; and/or

- (b) capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
- (ii) (in the case of an Ordinary Resolution passed pursuant to ~~Article~~Regulation 5(B)) such other date as may be determined by the Directors, in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

(B) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue or capitalisation under this ~~Article~~Regulation 134, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

(C) In addition and without prejudice to the powers provided for by this ~~Article~~Regulation 134, the Directors shall have power to issue shares for which no consideration is payable and to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any Dividend on any shares entitled to cumulative or non-cumulative preferential Dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by Members in General Meeting and on such terms as the Directors shall think fit.

ACCOUNTSFINANCIAL STATEMENTS

136. The Directors shall from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid before a General Meeting of the Company such ~~profit and loss accounts, balance sheets~~financial statements, group accounts (if any) and any reports and documents as may be prescribed by the said Act.

137. A copy of every ~~balance sheet and profit and loss account~~the financial statements, and if required, the balance sheets which is duly audited and which is to be laid before a General Meeting of the Company (including every document required by law to be comprised therein or attached or annexed thereto) accompanied by a copy of the Auditor's report thereon shall not less than twenty one days before the date of the meeting be sent to every Member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of General Meetings under the provisions of the Statutes or of these ~~Article~~Regulations, Provided that this ~~Article~~Regulation shall not require a copy of these documents to be sent to more than one of any joint holders or to any person of whose address the Company is not aware, but any Member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Subject to the rules of the Designated Stock Exchange, the documents referred to in this Regulation may be sent less than twenty-one days before the date of the General Meeting if all persons entitled to receive notices of General Meetings from the Company so agree.

AUDITORS

138. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified.

The Company may in accordance with and subject to the provisions of the Statutes, by Ordinary Resolution of which special notice has been given, remove an Auditor from office before the expiration of his period of office.

NOTICES

140. (A) Any notice or document (including a share certificate or any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange) shall be in writing and) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid cover addressed to such Member at his Singapore or Hong Kong registered address appearing in the Register of Members or (as the case may be) the Depository Register or (if he has no registered address within Singapore or Hong Kong) to the address, if any, within Singapore supplied by him to the Company, or (as the case may be) ~~CDP or a clearing house~~ the Depository (as the case may be) as his address for the service of notices, or by delivering it to such address as aforesaid, ~~or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the Member or may also be served by advertisement in appropriate newspapers in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”).~~ The notice of availability may be given to the Member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register of Members and notice so given shall be deemed a sufficient service ~~on or delivery to all the joint holders.~~ Where any notice or other document is served or delivered by post, service or delivery shall be deemed to have been served at the time the envelope or cover containing the same is posted, and in proving such service or delivery, it shall be sufficient to prove that such envelope or cover was properly addressed, stamped and posted.

(B) Without prejudice to Regulation 140(A) but subject to the any applicable Statutes relating to electronic communications, including the Act and the rules of the Designated Stock Exchange, ~~a~~Any notice of meeting or other document required or permitted to be given, sent or served under the Act, Memorandum of Association of the Company or these ~~Articles~~this Constitution (including without limitation, any financial statement or report) may be given, sent or served by the Company or by the Directors, to a Member using electronic communications in accordance with the Statutes. Any notice given, sent or served using electronic communication (as the case may be) shall be deemed to have been duly given, sent or served upon transmission of the electronic communication:

- (a) to the current address of such person (which may be an email address);
- (b) by making it available on a website prescribed by the Company from time to time; or
- (c) in such manner as such Member expressly consents to receiving notices and documents by giving notice in writing to the Company,

in accordance with the provisions of or as otherwise provided under the Statutes and/or other applicable regulations or procedures and the listing rules of the Designated Stock Exchange.

(C) For the purposes of Regulation 140(B) above, subject to any applicable Statutes relating to electronic communications, including, *inter alia*, the Act and the rules of the Designated Stock Exchange, a Member shall be implied to have agreed to receive such notice or document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such notice or document.

(D) Notwithstanding Regulation 140(C) above, and subject to any applicable Statutes relating to electronic communications, including, *inter alia*, the Act and the rules of the Designated Stock Exchange, the Directors may, at their discretion, at any time give a Member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communications or as a physical copy, and such member shall be deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or documents, unless otherwise provided under applicable Statutes. Any election or deemed election by a Member pursuant to this Regulation is a standing election, but the Member may make a fresh election, the election or deemed election that is conveyed to the Company last in time prevails over all previous elections as that Member's valid and subsisting election in relation to all documents and notices to be sent pursuant to this Regulation.

(E) Where a notice or document is given, sent or served by electronic communications:

- (a) to the current address of a person pursuant to Regulation 140(B)(a), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under applicable Statutes; or
- (b) by making it available on a website pursuant to Regulation 140(B)(b), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under applicable Statutes.

(F) When a given number of days' notice or notice extending over any other period is required to be given, the day of service shall, unless it is otherwise provided or required by these Regulations or by the Act, be not counted in such number of days or period.

(G) Where a notice or document is given, sent or served to a member by making it available on a website pursuant to Regulation 140(B)(b), the Company shall give separate notice to the Member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:

- (a) by sending such separate notice to the member personally or through the post pursuant to Regulation 140(A);
- (b) by sending such separate notice to the member using electronic communications to his current address pursuant to Regulation 140(B)(b);
- (c) by way of advertisement in the daily press; and/or
- (d) by way of announcement on the Designated Stock Exchange.

(H) Notwithstanding any provision of these Regulations, the Company shall comply with the rules of the Statues and Designated Stock Exchange for the time being in force relating to communications with members, including any requirements to send specific documents to members by way of physical copies.

142. A person entitled to a share in consequence of the death or bankruptcy of a Member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) ~~CDP or (as the case may be) a clearing house~~ the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the Member but for his death or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid, any notice or document delivered or sent by post to or left at the registered address or given, sent or served by electronic communication to the current address (as the case may be) of any Member in pursuance of these ~~Article~~ Regulations shall, notwithstanding that such Member be then dead or bankrupt or in liquidation, and whether or not the Company or (as the case may be) the Depository ~~CDP or (as the case may be) a clearing house~~ have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member in the Register of Members or, where such Member is a Depositor, entered against his name in the Depository Register as sole or first-named joint holder.

143. A Member who (having no registered address within Singapore) has not supplied to the Company or (as the case may be) the Depository ~~CDP or (as the case may be) a clearing house~~ an address within Singapore for the service of notices shall not be entitled to receive notices from the Company.

MEMBERS WHOSE WHEREABOUTS ARE UNKNOWN

144. (1) Without prejudice to the rights of the Company under paragraph (2) of this ArticleRegulation, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

(2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:

- (a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by these ArticleRegulations have remained uncashed;

For the purpose of the foregoing, the “relevant period” means the period commencing twelve years before the date of publication of the advertisement referred to in paragraph (c) of this ArticleRegulation 144 and ending at the expiry of the period referred to in that paragraph.

(3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this ArticleRegulation shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

INDEMNITY

147. (A) Subject to the provisions of and so far as may be permitted by the Statutes, including Sections 172, 172A and 172B of the Act, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the court. Without prejudice to the generality of the foregoing, no Director, ~~Manager~~Auditor, Secretary or other officer of the Company shall be liable for the acts, receipts, neglect or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own negligence, ~~wilful~~ default, breach of duty or breach of trust and in accordance with Sections 172A and 172B of the Act.

(B) Subject to the provisions of and so far as may be permitted by the Statutes, the Company may also provide any a Director with (a) funds to meet expenditure incurred or to be incurred by them (i) in defending any criminal or civil proceedings or investigations by a regulatory authority or against any action proposed to be taken by a regulatory authority, in connection with any alleged negligence, default, breach of duty or breach of trust by in relation to the Company; or (ii) in connection with an application for relief; and (b) otherwise may take any action to enable them to avoid incurring such expenditure.

**~~AMENDMENT TO MEMORANDUM AND ARTICLES OF
ASSOCIATION~~ CONSTITUTION**

148. No ~~Article~~Regulation shall be rescinded, altered or amended and no new ~~Article~~Regulation shall be made until the same has been approved by a special resolution of the Members. A special resolution shall be required to alter the provisions of the memorandum of association and as permitted in the circumstances provided under the Act.

PERSONAL DATA

150. (A) A Member who is a natural person is deemed to have consented to the collection, use and disclosure of his personal data (whether such personal data is provided by that Member or is collected through a third party) by the Company (or its agents or service providers) from time to time for any of the following purposes:—

- (a) implementation and administration of any corporate action by the Company (or its agents or service providers);
- (b) internal analysis and/or market research by the Company (or its agents or service providers);
- (c) investor relations communications by the Company (or its agents or service providers);
- (d) administration by the Company (or its agents or service providers) of that Member's holding of shares in the Company;
- (e) subject always to Regulation 140, implementation and administration of any service provided by the Company (or its agents or service providers) to its Members to receive notices of meetings, annual reports and other shareholder communications and/or for proxy appointment, whether by electronic means or otherwise;
- (f) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents;
- (g) relating to any General Meeting (including any adjournment thereof);
- (h) implementation and administration of, and compliance with, any provision of this Constitution;
- (i) compliance with any applicable Statutes, rules of the Designated Stock Exchange, takeover rules, regulations and/or guidelines; and
- (j) purposes which are reasonably related to any of the above purpose.

(B) Any Member who appoints a proxy and/or representative for any General Meeting and/or any adjournment thereof is deemed to have warranted that where such Member discloses the personal data of such proxy and/or representative to the Company (or its agents or service providers), that Member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in this Regulation, and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such Member's breach of warranty.

NOTICE OF THE 2023 AGM



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CHINA XLX FERTILISER LTD.

中國心連心化肥有限公司*

(Incorporated in Singapore with limited liability)

(Company Registration No. 200610384G)

(Hong Kong Stock Code: 1866)

NOTICE IS HEREBY GIVEN that the seventeenth annual general meeting (the “**2023 AGM**”) of China XLX Fertiliser Ltd. (the “**Company**”) will be held at Victoria Room 2/F., Mandarin Oriental Hong Kong, 5 Connaught Road Central, Hong Kong, PRC on 2 June 2023 at 3:00 p.m., to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements of the Company and the directors’ statement and auditor’s report for the year ended 31 December 2022. (Resolution 1)
2. To declare a final dividend of RMB25 cents per ordinary share of the Company for the year ended 31 December 2022. (Resolution 2)
3. To approve directors’ fees of S\$330,000 for the year ended 31 December 2022 to be divisible among the directors of the Company as they may agree. (Resolution 3)
4. To re-elect Ms. Yan Yunhua, a director retiring under Article 89 of the Constitution of the Company, as an executive director of the Company. (Resolution 4)
5. To re-elect Mr. Ong Kian Guan, a director retiring under Article 89 of the Constitution of the Company, as an independent non-executive director of the Company. (Resolution 5)
6. To re-elect Mr. Li Hongxing, a director retiring under Article 89 of the Constitution of the Company, as an independent non-executive director of the Company. (Resolution 6)
7. To re-appoint Ernst & Young LLP as auditor of the Company and to authorise the board of directors to fix the auditor’s remuneration. (Resolution 7)

* *for identification purpose only*

NOTICE OF THE 2023 AGM

AS SPECIAL BUSINESS

8. To consider, and if thought fit, to pass the following ordinary resolution (with or without amendments):

“That:

- (A) for the purposes of Section 76E of the Companies Act 1967 (the “**Companies Act**”), the exercise of the directors of the Company (the “**Directors**”) of all the powers of the Company to purchase or acquire shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate 10% of the total number of issued Shares as at the date of passing this resolution, at such price(s) as may be determined by the Directors from time to time less than the Maximum Price (as hereafter defined), by way of on-market purchase(s) (“**Market Purchase**”), transacted on The Stock Exchange of Hong Kong Limited (the “**SEHK**”) (or any other securities exchange on which the Shares may for the time being be listed and quoted, recognised by the Securities and Futures Commission of Hong Kong and the SEHK for this purpose) through the ready markets, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act, the Rules Governing the Listing of Securities on the SEHK (the “**Hong Kong Listing Rules**”), the Singapore Code on Take-overs and Mergers, the Code on Takeovers and Mergers and other rules and regulations issued by the Securities and Futures Commission of Hong Kong as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Buyback Mandate**”);
- (B) such authority shall continue in force during 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 Constitution of the Company (the “**Constitution**”) or any applicable laws of Singapore to be held;
 - (iii) the date on which the purchases or acquisitions of Shares pursuant to the Buyback Mandate have been carried out to the full extent mandated; or
 - (iv) the passing of an ordinary resolution by the shareholders of the Company (the “**Shareholders**”) in general meeting revoking, varying or renewing the authority given to the Directors by this resolution;

NOTICE OF THE 2023 AGM

(C) for the purpose of this resolution,

“**Maximum Price**” means 105% of the Average Closing Price (hereinafter defined), excluding related expenses of the purchase or acquisition of a Share by way of a Market Purchase; and

“**Average Closing Price**” means the average of the closing market prices of a Share for the 5 consecutive market days (being the days on which the SEHK is open for trading of securities) on which the Shares are transacted on the SEHK immediately preceding the date of the Market Purchase by the Company, and deemed to be adjusted in accordance with the Hong Kong Listing Rules for any corporate action which occurs after the relevant 5-market day period; and

(D) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.”

(Resolution 8)

9. To consider, and if thought fit, to pass the following ordinary resolution (with or without amendments):

“That pursuant to Section 161 of the Companies Act and the Hong Kong Listing Rules, approval be and is hereby given to the Directors to:

- (A) (i) allot, issue and deal with Shares whether by way of rights, bonus or otherwise;
- (ii) make or grant offers, agreements or options that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares (collectively, “**Instruments**”) including but not limited to the creation and issue of warrants, debentures or other Instruments convertible into Shares; and/or
- (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues;

at any time and upon such terms and conditions and to such persons as the Directors may in their absolute discretion deem fit; and

NOTICE OF THE 2023 AGM

- (B) the approval in paragraph (A) shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements or options (including warrants, debentures or other Instruments convertible into Shares) which might require Shares to be issued either during or after the end of the Relevant Period (as hereinafter defined);

provided always, that subject to any applicable regulations as may be prescribed by the SEHK:

- (1) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the outstanding conversion rights attaching to any convertible securities issued by the Company, which are convertible into Shares; (iii) the exercise of options under any option scheme of similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and its subsidiaries and/or other eligible persons of Shares or rights to acquire Shares; or (iv) 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 in accordance with the Constitution, shall not exceed 20% of the total number of issued Shares as at the date of passing this resolution.
- (2) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.
- (3) 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 Constitution or any applicable laws of Singapore to be held; or
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking, varying or renewing the authority given to the Directors by this resolution; and

NOTICE OF THE 2023 AGM

“**Rights Issue**” means an offer of Shares or other securities of the Company open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such 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 Hong Kong).”

(Resolution 9)

10. To consider, and if thought fit, to pass the following ordinary resolution (with or without amendments):

“That conditional upon the passing of ordinary resolutions as set out in ordinary resolutions nos. 8 and 9 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the ordinary resolution no. 9 of the Notice be and is hereby extended by the addition to the total number of Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of the number of Shares repurchased by the Company under the Buyback Mandate referred to in the ordinary resolution no. 8 of the Notice, provided that such amount shall not exceed 10% of the total number of issued Shares as at the date of passing this resolution.”

(Resolution 10)

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

SPECIAL RESOLUTION

To approve the proposed amendments to the existing constitution of the Company and the adoption of new constitution of the Company.

(Resolution 11)

By order of the Board

Liu Xingxu

Chairman

27 April 2023

NOTICE OF THE 2023 AGM

Notes:

- a. A member entitled to attend and vote at the 2023 AGM is entitled to appoint more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
- b. The proxy form must be deposited at the Company's Hong Kong Share Transfer Agent and Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time scheduled for holding the 2023 AGM (i.e., not later than 3:00 p.m. on 31 May 2023) or any adjournment thereof.
- c. If the member is a corporation, the instrument appointing a proxy must be executed under its common seal or signed on its behalf by an attorney duly authorised in writing or a duly authorised officer of the corporation.
- d. To ascertain Shareholders' eligibility to attend and vote at the 2023 AGM, the Register of Members of the Company will be closed from 30 May 2023 to 2 June 2023 (both days inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the 2023 AGM, unregistered holders of Shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Transfer Agent and Branch Share Registrar, Tricor Investor Services Limited (at its address shown in Note b above), for registration no later than 4:30 p.m. on 29 May 2023.
- e. To ascertain Shareholders' entitlement to the proposed final dividend upon passing of ordinary resolution no. 2 set out in this Notice, the Register of Members of the Company will be closed from 8 June 2023 to 9 June 2023 (both days inclusive), during which period no share transfer will be effected. In order to qualify for entitlement to the proposed final dividend, unregistered holders of Shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Transfer Agent and Branch Share Registrar, Tricor Investor Services Limited (at its address shown in Note b above) for registration no later than 4:30 p.m. on 7 June 2023.
- f. The dividend, if approved at the 2023 AGM, will be paid to the Shareholders whose names appear on the Register of Members of the Company on 9 June 2023 and will be paid on 23 June 2023.
- g. All times and dates referred to in this notice refer to Hong Kong local times and dates.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 2023 AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the proxy(ies) and/or representative(s) appointed for the 2023 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 2023 AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

NOTICE OF THE 2023 AGM

This circular, in both English and Chinese versions, is available on the Company's website at www.chinaxlx.com.hk.

*Shareholders may at any time change their choice of language(s) (either English only or Chinese only or both languages) of the corporate communications of the Company (the “**Corporate Communications**”).*

Shareholders may send their request to change their choice of language(s) of Corporate Communications in writing to the Company's Hong Kong Share Transfer Agent and Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

Shareholders who have chosen to receive the Corporate Communications in either English or Chinese version will receive both English and Chinese versions of this circular since both languages are bound together into one booklet.