

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Tianyun International Holdings Limited** (the “**Company**”), you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker, registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Tianyun International Holdings Limited **天韻國際控股有限公司**

(Incorporated in the British Virgin Islands with limited liability)
(Stock code: 6836)

(1) CONNECTED TRANSACTION IN RELATION TO ASSIGNMENT AGREEMENT AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



A letter from the Board is set out on pages 6 to 16 of this circular. The recommendation of the Independent Board Committee to the Independent Shareholders is set out on page 17 of this circular. A letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders is set out on pages 18 to 33 of this circular.

A notice convening the extraordinary general meeting (“**EGM**”) of the Company to be held at 10/F, Shum Tower, 268 Des Voeux Road Central, Sheung Wan, Hong Kong on Friday, 21 June 2024 at 11:00am or any adjournment thereof as set out on pages 40 to 41 of this circular. A form of proxy for use at the EGM is enclosed with this circular.

Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. **Completion and return of the form of proxy shall not preclude you from attending and voting in person at the extraordinary general meeting or any adjourned meeting thereof should you so wish.**

4 June 2024

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WARNING STATEMENT

Trading in the Company's shares on the Stock Exchange has been suspended since 26 March 2024. Under Rule 6.01A, the Company must ensure trading in its shares to resume by the 18-month prescribed remedial period ending on 25 September 2025. Otherwise, the Stock Exchange will be entitled to delist the Company.

To resume trading, the Company must demonstrate to the Stock Exchange's satisfaction that it has met all the resumption guidance, addressed all the issues arising from time to time warranting a trading suspension and re-complied with the Listing Rules by the resumption deadline.

Publication of this circular does not indicate any decision or conclusion from the Stock Exchange not to delist the Company nor warrant any approval from the Stock Exchange on the resumption of trading in the existing shares on the Stock Exchange.

The Company will disclose updates on the satisfaction of resumption guidance by way of announcement, as and when appropriate.

Shareholders and potential investors of the Company should exercise caution when dealing in the Company's shares, and if they are in any doubt about their positions, they should consult their professional advisers.

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DEFINITIONS

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

“Acclime”	Acclime Corporate Advisory (Hong Kong) Limited, the independent manager engaged by the Company to safeguard the Group’s assets in light of the Unpredictable Matters, as requested and agreed by the SFC;
“Adjusted Subscription”	the subscription by True Choice for the shares in Jianlibao Asia representing approximately 1.84% of Jianlibao Asia total issued share capital as enlarged by the subscription for a total subscription price of RMB61,461,645.23;
“Assignment Agreement”	a conditional assignment agreement dated 30 April 2024 entered into between amongst the Company as transferor, True Choice as transferee, Mr. Yeung and Jianlibao Asia which provides for, inter alia, the Assignment and Novation of the Rights and Obligations;
“Assignment Announcement”	the announcement of the Company dated 30 April 2024 in relation to the Assignment Agreement;
“Assignment and Novation”	the assignment and novation of the Rights and Obligation under the Assignment Agreement;
“Assignment Consideration”	the consideration for the Assignment and Novation of the Rights and Obligation under the Subscription Agreement by the Company to True Choice in the amount of RMB60 million;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“close associates”	has the meaning ascribed to it under the Listing Rules;
“Company”	Tianyun International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange;
“connected persons”	has the meaning ascribed to it under the Listing Rules;

DEFINITIONS

“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;
“core connected persons”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be held at Rooms 1406-1407, 14/F, Nan Fung Tower, 88 Connaught Road Central, Central, Hong Kong on Friday, 21 June 2024 at 11:00am or any adjournment thereof;
“EGM Notice”	the notice convening the EGM as set out on pages 40 to 41 of this circular;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	an independent board committee, comprising of Ms. Chen Weijie, Mr. Shiu Shu Ming and Ms. Lau Chui Ping Soey, all being the independent non-executive directors of the Company, to advise the Independent Shareholders as to the fairness and reasonableness of the Assignment Agreement;
“Independent Financial Adviser” or “Silverbricks Securities”	Silverbricks Securities Company Limited, a corporation licensed to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 6 (advising on corporate finance) regulated activities under the SFO, and the independent financial adviser appointed by the Company with the approval of the Independent Board Committee for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the Assignment Agreement and the transactions contemplated thereunder;

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“Independent Shareholders”	Shareholders other than Mr. Yeung and his associates who are required by the Listing Rules to abstain from voting on the resolution(s) approving the Assignment Agreement and the transactions contemplated thereunder;
“Inside Information Announcements”	inside information announcements of the Company dated 27 March 2024, 15 April 2024 and 19 April 2024 in relation to the Unpredictable Matters and the appointment of Acclime as the independent manager to safeguard the Group’s assets as requested by the SFC;
“Jianlibao”	Guangdong Jianlibao Co., Limited* (廣東健力寶股份有限公司), a company incorporated in the PRC;
“Jianlibao Asia”	Jianlibao Asia Limited, a company incorporated in the Cayman Islands with limited liability and is principally engaged in investment holding;
“Latest Practicable Date”	29 May 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained therein;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time;
“Mr. Yeung”	Mr. Yeung Wan Yiu, a non-executive Director, the chairman of the Board and a substantial shareholder;
“Parties”	the Company, Jianlibao Asia, True Choice and Mr. Yeung;
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Published Results”	the audited financial statements of the Group for the three financial years ended 31 December 2021 and the unaudited financial statements of the Group for the six months ended 30 June 2022;

DEFINITIONS

“Rainbow Lead”	Rainbow Lead Ventures Limited, a company incorporated in the British Virgin Islands with limited liability, whose shares are wholly owned by Mr. Yeung;
“Rights and Obligations”	the rights and obligations of Company as assignor under the Subscription Agreement to be assigned and novated to True Choice as assignee pursuant to the Assignment Agreement;
“RL Loan”	an unsecured shareholder loan in the amount of RMB60 million provided by Rainbow Lead to the Group to fund the Subscription Deposit;
“RL Loan Agreement”	the loan agreement entered into between Tianyi Holding as borrower and Rainbow Lead as lender on 23 November 2023 for the RL Loan;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFC”	the Securities and Futures Commission;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time;
“Share(s)”	ordinary share(s) of nil nominal value in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription”	the subscription by the Company of shares representing approximately 8.40% of the issued share capital of Jianlibao Asia as enlarged by the Subscription for a total consideration of RMB300 million under the Subscription Agreement;
“Subscription Agreement”	the subscription agreement dated 20 November 2023 entered into between the Company as subscriber and Jianlibao Asia as issuer in relation to the Subscription;
“Subscription Announcements”	announcements of the Company dated 20 November 2023, 23 November 2023 and 1 March 2024 in relation to the Subscription;

DEFINITIONS

“Subscription Consideration”	RMB300 million, being the amount of consideration payable for the Subscription;
“Subscription Deposit”	RMB60 million, being 20% of the Subscription Consideration;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules;
“Tiantong Yichang”	Tiantong Food (Yichang) Limited* (天同食品(宜昌)有限公司), a former subsidiary of the Company that was involved in the unauthorized transfer of approximately RMB34.40 million;
“Tianyi Holding”	Tianyi Holding Hong Kong Limited* (天翌集團香港有限公司), a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company;
“True Choice”	True Choice International Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Yeung;
“True Choice Subscription Agreement”	the subscription agreement to be entered into between True Choice as subscriber and Jianlibao Asia as issuer in relation to the Adjusted Subscription;
“Unpredictable Matters”	(i) alleged non-existence of an unauthorized transfer of approximately RMB34.40 million conducted by Tiantong Yichang; and (ii) the overstatement of the Group’s bank balances that were found in the Group’s audited financial statements for the three financial years ended 31 December 2021, and in the Group’s unaudited financial statements for the six months ended 30 June 2022, which allegedly ranged from approximately RMB433.8 million to approximately RMB563.7 million (representing over 90% of the Group’s cash and bank balances and over 45% of the Group’s net asset value in the Published Results); and
“%”	per cent.

* for identification purposes only

Tianyun International Holdings Limited
天韻國際控股有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock code: 6836)

Executive Directors:

Mr. Yang Ziyuan *(duties suspended)*

Mr. Sun Xingyu *(duties suspended)*

Dr. Wan Ho Yuen, Terence *(Chief Executive Officer)*

Non-executive Directors:

Mr. Yeung Wan Yiu *(Chairman)*

Ms. Chu Yinghong

Mr. Wong Yim Pan

Mr. Yeung Wing Keung

Independent Non-executive Directors:

Ms. Chen Weijie

Ms. Lau Chui Ping Soey

Mr. Shiu Shu Ming

Registered office:

Commerce House,

Wickhams Cay 1,

PO Box 3140, Road Town,

Tortola,

British Virgin Islands, VG1110

Hong Kong Principal Place of Business:

Rooms 1406-1407, 14/F,

Nan Fung Tower,

88 Connaught Road Central, Central,

Hong Kong

4 June 2024

To the Shareholders,

Dear Sir/Madam,

**(1) CONNECTED TRANSACTION
IN RELATION TO ASSIGNMENT AGREEMENT
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Assignment Announcement, the Subscription Announcements and the Inside Information Announcements.

The purpose of this circular is to provide you, among other things, (i) further details of the transactions contemplated under the Assignment Agreement; (ii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders regarding the Assignment Agreement; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of the EGM.

LETTER FROM THE BOARD

1. ASSIGNMENT AGREEMENT

On 20 November 2023, the Company as subscriber and Jianlibao Asia as issuer entered into the Subscription Agreement pursuant to which the Company conditionally agreed to subscribe for, and Jianlibao Asia conditionally agreed to issue, new shares representing approximately 8.40% of the issued share capital of Jianlibao Asia as enlarged by the Subscription for a total subscription price of RMB300 million. Subsequently on 27 November 2023, the Company paid the Subscription Deposit in accordance with the terms of the Subscription Agreement. The Subscription Deposit will be treated as part of the total subscription price upon completion of the Subscription. The Subscription Deposit was financed by Mr. Yeung through extending the RL Loan in the same amount to Tianyi Holding, a wholly-owned subsidiary of the Company on the same date of the payment of the Subscription Deposit. The rest of the subscription price in the amount of RMB240 million will be paid by the Company with its internal resources upon completion of the Subscription.

On 25 March 2024, the Company received a letter from the SFC stating that they have been investigating into the Unpredictable Matters. It was alleged, amongst other things, that the Group misstated its cash and bank balances in the Published Results based on the records and documents provided by the Company to the SFC and the bank documents that were independently obtained by the SFC. The alleged misstatements of bank balances concern two bank accounts of the Group, namely (i) the Wuhan Rural Commercial Bank account held by Tiantong Yichang; and (ii) the Linshang Bank account held by Shandong Tiantong Food Co., Limited* (山東天同食品有限公司). The Board conducted a preliminary review of the available information and determined that the Group's bank balance was approximately RMB1.1 million as of 15 April 2024. The SFC required the Company to engage an independent consultant, to be agreed by the SFC, to safeguard the Group's assets and to report any irregularities to the SFC immediately. The Company, with clearance from the SFC, had engaged Acclime on 19 April 2024 as the independent manager.

Completion of the Subscription is conditional upon fulfilment of certain conditions precedent as set out in the Subscription Announcements by 30 April 2024. On 29 March 2024 Jianlibao Asia notified the Company in writing that all the conditions precedent required to be fulfilled by Jianlibao Asia under the Subscription Agreement had been fulfilled and the Subscription can proceed to completion. Pursuant to the Subscription Agreement completion of Subscription shall take place on the third business day following such notice. However, due to the Unpredictable Matters, the Company currently does not have the financial resources to complete the Subscription. On 2 April 2024, the Company informed Jianlibao Asia the Unpredictable Matters and that it is unable to complete the Subscription due to its current financial position and sought solutions through proactive communication. After arm's length negotiation, the Parties agreed on the assignment and novation of all Rights and Obligations of the Company to True Choice subject to and in accordance with the terms and conditions of the Assignment Agreement.

LETTER FROM THE BOARD

In light of the SFC requirement on the Company to engage an independent manager to safeguard the Group's assets, the Company, prior to entering into the Assignment Agreement, had informed Acclime of its intention to enter into the Assignment Agreement to assign and novate the Rights and Obligations of the Company to True Choice. Acclime has confirmed that it has no objection to the Company entering into the Assignment Agreement and the transaction contemplated thereunder.

THE MAJOR TERMS OF THE ASSIGNMENT AGREEMENT

For ease of reference purpose, the major terms of the Assignment Agreement are set out as follows:

Date 30 April 2024

Parties The Company

True Choice

Jianlibao Asia

Mr. Yeung

To the best knowledge, information and belief of the Directors and after making all reasonable enquiries, Jianlibao Asia and its ultimate beneficial owner(s) are all third parties independent of and not connected with the Company and its connected persons.

Subject Matter The Company shall assign and novate all of its Rights and Obligations under the Subscription Agreement to True Choice, and True Choice shall take up and assume all of the Company's Rights and Obligations under the Subscription Agreement upon completion of the Assignment and Novation thereunder and whereupon the Company shall be released and discharged in full all of its Rights and Obligations under the Subscription Agreement.

LETTER FROM THE BOARD

Jianlibao Asia and True Choice have conditionally agreed that (i) True Choice shall enter into the True Choice Subscription Agreement with Jianlibao Asia upon completion of the Assignment and Novation; (ii) the size of the subscription in terms of shares to be subscribed and shareholding percentage in Jianlibao Asia shall be adjusted; (iii) the valuation (for 100% interest in Jianlibao) shall remain the same, being RMB6 billion; and (iv) the subscription price payable by True Choice to Jianlibao Asia for the Adjusted Subscription shall be partially satisfied by the set-off the RMB60,000,000 Subscription Deposit assigned by the Company to True Choice under the Assignment Agreement and the balance of RMB1,461,645.23 to be satisfied by True Choice with its own fund.

Consideration

The Assignment Consideration for the Assignment and Novation of the Company's Rights and Obligations to True Choice is RMB60,000,000 which represents the same amount of the Subscription Deposit. The Assignment Consideration shall be satisfied through the set-off of the RL Loan owed to Rainbow Lead by the Group upon completion of the Assignment and Novation.

The Assignment Consideration was determined after arm's length negotiations among the Parties to the Assignment Agreement taking into account, amongst other factors, (i) the Company's lack of financial resources to fulfil its obligations to consummate the Subscription; (ii) the amount of the Subscription Deposit paid which represents the Assignment Consideration; and (iii) the terms and conditions of the Subscription Agreement; (iv) the Company's financial exposure in defaulting on the Subscription Agreement.

On the basis of the above the Directors (other than the independent non-executive Directors whose views will be given after taking the advice from the Independent Financial Adviser) consider the Assignment Consideration to be fair and reasonable.

LETTER FROM THE BOARD

Conditions Precedent

Completion of the Assignment Agreement is conditional upon fulfilment of the following conditions precedent:

1. the Company having, in accordance with the rules and regulations of the regulatory authorities such as the Securities and Futures Commission and the Stock Exchange (including with limitation the Listing Rules), obtained all applicable and necessary approvals, consents and waivers and/or fulfilled all obligations in connection with the execution and performance of the Assignment Agreement and the transactions contemplated thereunder, including the approval of the Shareholders at the EGM, despatch of the circular to Shareholders and clearance of the circular by the regulatory authorities;
2. that the execution, delivery and performance of the Assignment Agreement by the Parties to the Assignment Agreement does not and will not violate any laws or regulations or the rules of any regulatory authorities of the PRC and/or Hong Kong (including but not limited to the Listing Rules), or any order or decree of any PRC and/or Hong Kong government agencies and/or regulatory authorities (including but not limited to the Stock Exchange and the SFC) and/or courts;
3. there being no material events that have occurred or may occur to any party to the Assignment Agreement, and such events are intended to limit the transfer thereunder or cause significant changes to the terms of the Assignment Agreement, or may render the transfer impossible to complete or illegal or inexpedient to proceed, or may have a material adverse impact on Jianlibao Asia;
4. there being no events, facts or circumstances that constitute or may constitute a material breach of any representation, warranty or undertaking given by the Company, True Choice, Jianlibao Asia or Mr. Yeung under the Assignment Agreement; and

LETTER FROM THE BOARD

5. Mr. Yeung and True Choice having executed the True Choice Subscription Agreement with Jianlibao Asia in respect of the Adjusted Subscription in accordance with the Assignment Agreement.

If the conditions precedent, which cannot be waived, are not fulfilled by 30 June 2024 or such later date agreed by Jianlibao Asia, Jianlibao Asia shall have the right to unilaterally terminate the Assignment Agreement by written notice.

As of the Latest Practicable Date, save for condition precedent no. 5 above, none of the other conditions had been fulfilled.

Completion

Completion of the Assignment and Novation shall take place on the day the last of the above conditions precedent is fulfilled.

Following completion of the Assignment and Novation, the Company shall not claim any right under the Subscription Agreement, including without limitation, requesting Jianlibao Asia to complete the Subscription.

Effect of Termination

The Parties further agree that if the Assignment Agreement is terminated or cancelled for whatever reason, the position of the Parties will return to the status before the signing of the Assignment Agreement. Since the Company is unable to fulfil its obligations to complete the Subscription, the Subscription Agreement shall terminate on the same day when the Assignment Agreement is terminated and Jianlibao Asia shall have the right to retain the Subscription Deposit of RMB60 million paid by the Company to Jianlibao Asia in accordance with the Subscription Agreement without the need to return the Subscription Deposit to any party. The Subscription Deposit was funded by the RL Loan with a principal amount of RMB60 million extended by Rainbow Lead and the Group will remain liable to repay the RL Loan to Rainbow Lead if the Assignment Agreement is not completed, terminated or cancelled for whatever reason.

LETTER FROM THE BOARD

2. REASONS FOR AND BENEFITS OF THE ASSIGNMENT AGREEMENT

The Company entered into the Subscription Agreement back in November 2023 for the reasons set out in the announcement of the Company dated 20 November 2023. However, as disclosed in the announcements of the Company made on 15 April 2024, the Group is in a dire financial position with only approximately RMB1.1 million cash in bank. As such, the Company does not have the financial resources to complete the Subscription which entails RMB240 million for balance payment of the Subscription. Pursuant to the Subscription Agreement Jianlibao Asia shall have the right to forfeit the RMB60 million Subscription Deposit as a result of the Company's default on the Subscription Agreement. On the other hand, the Group remains liable to repay the RL Loan with a principal amount of RMB60 million extended by Rainbow Lead to finance the payment of the Subscription Deposit on 27 November 2023.

The RL Loan is an unsecured loan on normal commercial terms and constitutes a fully exempted connected transaction, namely financial assistance by a connected person to the Company, under the Listing Rules. Pursuant to the RL Loan Agreement, interest shall be calculated at the prevailing 1-year Loan Prime Rate (LPR) promulgated by the Center of the Interbank Lending of National Banks in the PRC (全國銀行同業拆借中心發布的貸款市場報價利率) on the day of drawing of the RL Loan and accrued and payable by Tianyi Holding (being the borrower) to Rainbow Lead on 31 December each year. Such LPR was 3.45% per annum when the Loan was drawn on 27 November 2023 to pay the Subscription Deposit. The Group has not paid any interest on the RL Loan. As at the Latest Practicable Date the interest accrued on the RL amounted to approximately RMB1.04 million. Since the key objective of the Assignment Agreement is to assign and novate the Rights and Obligation, interest payable under the RL Loan was not taken into account when determining the Assignment Consideration which is the same amount as the Subscription Deposit. Notwithstanding completion of the Assignment Agreement, the Group shall remain obligated to pay the accrued interest to Rainbow Lead. The Group and Rainbow Lead shall further negotiate and make separate arrangement for the settlement of the accrued interest.

Given the current stringent financial position of the Group, the Board considers it is in the best interest of the Company not to proceed with the Subscription (even if Jianlibao Asia agrees to allow the Company to scale down the Subscription) but enter into the Assignment Agreement such that the Company shall be discharged and released from the Rights and Obligations under the Subscription Agreement.

With True Choice assuming the obligation to subscribe for Jianlibao Asia's shares and the set-off of the RL Loan against Subscription Deposit, the Group is relieved from the burden of servicing the RL Loan which would otherwise be extremely difficult in view of the current financial strain of the Group. Further had the Parties not entered into the Assignment Agreement, the Subscription Deposit would have been forfeited under the provision of the Subscription Agreement.

LETTER FROM THE BOARD

True Choice will subscribe for the Adjusted Subscription at the same valuation as the Company subscribed under the Subscription which was based on a valuation of RMB6 billion for 100% of Jianlibao. The Assignment Agreement is the result of friendly negotiation between the Parties on an arm's length basis with a view to help relieve the Company from further financial burden arising from the default on the Subscription Agreement.

In the event that the Independent Shareholders vote down the Assignment Agreement at the EGM, given the Company has already been in breach of the Subscription Agreement, Jianlibao Asia has the right to forfeit the Subscription Deposit and the Group remains liable to repay the RL Loan with a principal amount of RMB60 million to Rainbow Lead. In light of the Unpredictable Matters, the continued suspension in trading of the shares of the Company and the current dire financial situation of the Group, it is impracticable for the Company to obtain funding from either equity or debt fundraising exercise. The Assignment Agreement and the Assignment and Novation contemplated thereunder is the only viable option to relieve the Group from further financial burden which the Group is not in the financial position to service and is in the interest of the Company and the Shareholders.

The Directors (including the independent non-executive directors) believe that the terms of the Assignment Agreement are fair and reasonable, on normal commercial terms after arm's length negotiations between the Parties and in the interests of the Company and the Shareholders as a whole.

3. INFORMATION OF THE PARTIES

The Company is a limited liability company incorporated in the British Virgin Islands, the shares of which are listed on the main board of the Stock Exchange. The Group is principally engaged in the manufacturing and sales of processed fruit and beverage products, and trading of fresh fruits.

Jianlibao Asia is a limited liability company incorporated in the Cayman Islands and is principally engaged in investment holding. Mr. Yip Hung Hon and Mr. Yeung Wan Chun indirectly hold 60% and 40% of interests in Jianlibao Asia, respectively. Jianlibao Asia is the majority shareholder directly holding approximately 55.54% of total issued shares in Jianlibao which in turn is a company incorporated in the PRC and is principally engaged in the manufacturing and sales of sports drinks in the PRC.

True Choice is a limited liability company incorporated in the British Virgin Islands and is wholly owned by Mr. Yeung. It is principally engaged in investment holding.

4. LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Mr. Yeung is indirectly interested in approximately 27.65% of the issued share capital of the Company and is also a non-executive Director and Chairman of the Company. Being a substantial shareholder and Director of the Company Mr. Yeung is therefore a connected person of the Company. Accordingly, the entering into of the Assignment Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

As one or more of the applicable percentage ratios (as defined in Chapter 14A of the Listing Rules) other than the profits ratio exceeds 0.1% but are all less than 5%, the connected transaction contemplated under the Assignment Agreement is subject to the announcement requirement under Chapter 14A of the Listing Rules but is exempted from the circular (including independent financial advice) and shareholders' approval requirements. Nevertheless, with an aim to enhance corporate governance, the Company has engaged the Independent Financial Advisor to advise the Independent Board Committee and the Independent Shareholders on the transactions contemplated under the Assignment Agreement and seeks approval of the Assignment Agreement from the Independent Shareholders at the EGM on a voluntary basis.

5. EXTRAORDINARY GENERAL MEETING

A notice convening the EGM to be held at 10/F, Shum Tower, 268 Des Voeux Road Central, Sheung Wan, Hong Kong on Friday, 21 June 2024 at 11:00am or any adjournment thereof is set out on pages 40 to 41 of this circular for the Independent Shareholders to consider and, if thought fit, approving the Assignment Agreement and the transaction contemplated thereunder.

The Assignment Agreement and the transaction contemplated thereunder are subject to, among other things, the approval by the Independent Shareholders at the EGM to be taken by way of a poll.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the relevant connected transaction must abstain from voting on the relevant resolution at the EGM. As at the Latest Practicable Date, Mr. Yeung controlled or was entitled to exercise control over voting rights in respect of 273,886,740 Shares, representing approximately 27.65% of the entire issued share capital of the Company. Mr. Yeung, being a substantial shareholder and a non-executive Director of the Company, also holds 100% equity interest in True Choice as at the Latest Practicable Date. He is regarded as having a material interest in the Assignment Agreement and the connected transaction contemplated thereunder. Mr. Yeung had therefore abstained from voting on the relevant Board resolution and he and his associates shall abstain from voting on the resolution(s) approving the Assignment Agreement and the transaction contemplated thereunder in the EGM.

Save for Mr. Yeung, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has a material interest in the Assignment Agreement and the transactions contemplated thereunder and therefore, no other Shareholder is required to abstain from voting at the EGM for the relevant resolution.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date:

- (i) there was no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholders;
- (ii) there was no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby it/he/she has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its/his/her Shares to a third party, either generally or on a case-by-case basis; and
- (iii) it was not expected that there would be any discrepancy between a Shareholder's beneficial shareholding interest in the Company and the number of Shares in respect of which it/he/she would control or would be entitled to exercise control over the voting right at the EGM.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.tianyuninternational.com). Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending, and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to the Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the EGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will appoint scrutineers to handle vote-taking procedures at the EGM. The results of the poll will be published on the websites of the Company and the Stock Exchange after the EGM in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.

6. RECOMMENDATION

The Independent Board Committee has been established to advise the Independent Shareholders as to whether the terms of the Assignment Agreement and the transaction contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this respect.

The letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 18 to 33 of this circular and the letter from the Independent Board Committee to the Independent Shareholders is set out on page 17 of this circular.

LETTER FROM THE BOARD

The Independent Board Committee, after considering the advice of the Independent Financial Adviser, is of the view that the terms of the Assignment Agreement and the transaction contemplated thereunder are on normal commercial terms which are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution to be proposed at EGM to approve the Assignment Agreement and the transaction contemplated thereunder.

The Board considers that the terms of the Assignment Agreement and the transaction contemplated thereunder are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Assignment Agreement and the transactions contemplated thereunder.

7. ADDITIONAL INFORMATION

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

By Order of the Board
Tianyun International Holdings Limited
Yeung Wan Yiu
Chairman & Non-executive Director

Tianyun International Holdings Limited
天韻國際控股有限公司

(Incorporated in the British Virgin Islands with limited liability)
(Stock code: 6836)

4 June 2024

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION
IN RELATION TO ASSIGNMENT AGREEMENT

We refer to the circular dated 4 June 2024 issued by the Company (the “**Circular**”), of which this letter forms part. Terms used in this letter shall bear the same meanings as given to them in the Circular unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider the Assignment Agreement and the transaction contemplated thereunder and to advise the Independent Shareholders as to the fairness and reasonableness of the aforesaid matters, and to recommend how the Independent Shareholders should vote at the EGM. Silverbricks Securities has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to the letter from the Board, as set out on pages 6 to 16 of the Circular, and the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders which contains its advice to us in respect of the Assignment Agreement, as set out on pages 18 to 33 of the Circular.

Having taken into account of the advice of the Independent Financial Adviser, we consider that the Assignment Agreement is on normal commercial terms, and that the transaction contemplated under the Assignment Agreement is in the interests of the Company and the Shareholders as a whole. We also consider that the terms of the Assignment Agreement are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Assignment Agreement and the transaction contemplated thereunder.

Yours faithfully,
the Independent Board Committee

Ms. Chen Weijie
Independent non-executive
Director

Mr. Shiu Shu Ming
Independent non-executive
Director

Ms. Lau Chui Ping Soey
Independent non-executive
Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter of advice from the Independent Financial Advisor, Silverbricks Securities Company Limited, to the Independent Board Committee and the Independent Shareholders, which has been prepared for inclusion in this circular.



Units 1004–1006, 10/F,
China Merchants Tower,
Shun Tak Centre,
168–200 Connaught Rd Central, Sheung Wan

4 June 2024

*To the Independent Board Committee and
the Independent Shareholders of
Tianyun International Holdings Limited*

Dear Sirs and Madams,

CONNECTED TRANSACTION IN RELATION TO ASSIGNMENT AGREEMENT

INTRODUCTION

We refer to our appointment as the independent financial adviser (the “**Independent Financial Adviser**”) to make recommendations to the Independent Board Committee and the Independent Shareholders of Tianyun International Holdings Limited (the “**Company**”) in relation to the Assignment Agreement and the transactions contemplated thereunder (the “**Transaction**”), particulars of which are set out in the section headed “Letter from the Board” (the “**Letter**”) contained in the circular of the Company to the Shareholders dated 4 June 2024 (the “**Circular**”), of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as ascribed to them under the section headed “Definitions” in this Circular.

Background of the Assignment Agreement

The Subscription

On 20 November 2023, the Company and Jianlibao Asia entered into the Subscription Agreement, pursuant to which the Company (as the subscriber) conditionally agreed to subscribe, and Jianlibao Asia (as the issuer) conditionally agreed to issue, new shares of Jianlibao Asia (the “**Subscription Shares**”), representing approximately 8.40% of the total issued share capital of Jianlibao Asia as enlarged by the allotment and issuance of the Subscription Shares upon completion of the Subscription (the “**Completion**”), at a total subscription price of RMB300 million (the “**Subscription Amount**”).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

On 27 November 2023, the Company made a deposit of RMB60,000,000 (the “**Subscription Deposit**”) as part of the Subscription Amount in accordance with the terms of the Subscription Agreement.

The Subscription Deposit was financed by Mr. Yeung, a non-executive Director, through extending the RL Loan in the same amount to Tianyi Holding, a wholly-owned subsidiary of the Company on the same date of the payment of the Subscription Deposit. The remaining balance of the Subscription Amount, which amounts to RMB240 million, will be made by the Company through its internal resources upon Completion.

The Unpredictable Matters

On 25 March 2024, the Company received a letter from the Securities and Futures Commission (the “**SFC**”) stating that they have been investigating the Unpredictable Matters (as defined below). These Unpredictable Matters consist of (i) alleged non-existence of an unauthorized transfer of approximately RMB34.40 million conducted by a former subsidiary of the Company, Tiantong Food (Yichang) Limited* (天同食品(宜昌)有限公司) (the “**Unauthorized Transfer**”); and (ii) the overstatement of the Group’s bank balances that were found in the Group’s audited financial statements for the three financial years ended 31 December 2021, and in the Group’s unaudited financial statements for the six months ended 30 June 2022 (collectively referred to as the “**Unpredictable Matters**”). The SFC required the Company to engage an independent consultant, to be agreed by the SFC, to safeguard the Group’s assets and to report any irregularities to the SFC immediately. The Company, with clearance from the SFC, had engaged Acclime on 19 April 2024 as the independent manager.

Completion is conditional upon fulfilment of certain conditions precedent as set out in the Subscription Agreement, and the date by which such conditions must be satisfied (or waived) for the Completion to take place is 30 April 2024.

On 29 March 2024, Jianlibao Asia notified the Company in writing that all the conditions precedent required to be fulfilled by Jianlibao Asia under the Subscription Agreement had been fulfilled, and the Subscription could proceed to completion. Pursuant to the Subscription Agreement, the Completion shall occur on the third business day following such notice. However, due to the Unpredictable Matters, the Board considered the Company’s financial resources inadequate to complete the Subscription.

On 2 April 2024, the Company notified Jianlibao Asia about the Unpredictable Matters. Due to its current financial position, the Company determined that it is unable to complete the Subscription. To address the matter, the Company took proactive measures and negotiated with Jianlibao Asia. After fair and impartial negotiations, the Company agreed to assign all rights and obligations under the Subscription Agreement to True Choice.

On 30 April 2024, based on the principles of the aforesaid negotiations and agreement, the Company, True Choice and Jianlibao Asia entered into the Assignment Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In light of the Unpredictable Matters and the SFC requirement on the Company to engage an independent manager to safeguard the Group's assets, the Company, prior to entering into the Assignment Agreement, had informed Acclime of its intention to enter into the Assignment Agreement to assign and novate the Rights and Obligations of the Company to True Choice. Acclime has confirmed that it has no objection to the Company entering into the Assignment Agreement and the transaction contemplated thereunder.

Implications under the Listing Rules

Mr. Yeung is the non-executive Director and chairman of the Company, indirectly holding approximately 27.65% of its total issued share capital as of the date of this letter. Since Mr. Yeung is a substantial shareholder of the Company and also a Director, Mr. Yeung is considered a connected person of the Company. Accordingly, the transaction contemplated under the Assignment Agreement constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the relevant connected transaction must abstain from voting on the relevant resolution at the EGM. As at the Latest Practicable Date, Mr. Yeung controlled or was entitled to exercise control over voting rights in respect of 273,886,740 Shares, representing approximately 27.65% of the entire issued share capital of the Company. Mr. Yeung, being a substantial shareholder and a non-executive Director of the Company, also holds 100% equity interest in True Choice as at the Latest Practicable Date. He is regarded as having a material interest in the Assignment Agreement and the connected transaction contemplated thereunder. Mr. Yeung had therefore abstained from voting on the relevant Board resolution and he and his associates shall abstain from voting on the resolution(s) approving the Assignment Agreement and the transaction contemplated thereunder in the EGM.

As one or more of the applicable percentage ratios (as defined in Chapter 14A of the Listing Rules) other than the profits ratio exceeds 0.1% but are all less than 5%, the connected transaction contemplated under the Assignment Agreement is subject to the announcement requirement under Chapter 14A of the Listing Rules but is exempted from the circular (including independent financial advice) and shareholders' approval requirements. Nevertheless, the Company, with an aim to enhance corporate governance, the Company has engaged the Independent Financial Advisor to advise the Independent Board Committee and the Independent Shareholders on the transactions contemplated under the Assignment Agreement and seeks approval of the Assignment Agreement from the Independent Shareholders at the EGM on a voluntary basis.

INDEPENDENT BOARD COMMITTEE

Pursuant to the Listing Rules, the Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Shiu Shu Ming, Ms Chen Weijie and Lau Chui Ping Soey, has been established to advise the Independent Shareholders in respect of the Assignment Agreement and the connected transaction contemplated thereunder, and as to the voting action therefor.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In our capacity as the Independent Financial Adviser, our role is to give an independent opinion to advise the Independent Board Committee and the Independent Shareholders as to whether, with respect to the Assignment Agreement and the connected transaction contemplated thereunder, is (i) fair and reasonable; (ii) on normal commercial terms or better but not in the ordinary and usual course of business of the Company; (iii) in the interests of the Company and its Shareholders as a whole; and (iv) how the Independent Shareholders should voting on the resolution(s) approving the Assignment Agreement and the connected transaction contemplated thereunder in the EGM.

OUR INDEPENDENCE

We, Silverbricks Securities Company Limited (“**Silverbricks**”), have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders. Silverbricks is a licensed corporation licensed under the Securities and Futures Ordinance (“**SFO**”) to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 6 (advising on corporate finance) regulated activities.

We have not engaged with the Group as an independent financial adviser in the last two years. As of the Latest Practicable Date, we confirmed that there is no relationship or interest between Silverbricks and the Company or any other parties that could be reasonably be regarded as a hindrance to Silverbricks’s independence as set out under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transaction.

We are not associated with the Company, its subsidiaries, its associates or their respective substantial shareholders or associates, and accordingly, are eligible to give independent advice and recommendations. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, no arrangement exists whereby we will receive any fees from the Company, its subsidiaries, its associates or their respective substantial shareholders or associates. We confirmed that no existence or change in any circumstances would affect our independence.

Accordingly, we have performed all reasonable steps as required under Rule 13.80 of the Listing Rules and are eligible to give independent advice regarding the Assignment Agreement and the connected transaction contemplated thereunder.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR OPINION AND RECOMMENDATION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Assignment Agreement and the connected transaction contemplated thereunder, we have relied on the information, facts and representations contained or referred to in the Circular and the information, facts and representations provided by, and the opinions expressed by the Directors, management of the Company and its subsidiaries (the “**Management**”). We have assumed that all information, facts, opinions and representations made or referred to in the Circular were true, accurate and complete at the time they were made and continued to be true and that all expectations and intentions of the Directors and the Management, will be met or carried out as the case may be. We have no reason to doubt the truth, accuracy and completeness of the information, facts, opinions and representations provided by the Directors and the Management. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration. There are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading. We have also sought and received confirmation from the Directors that no material facts have been omitted from the information supplied and opinions expressed.

The Directors jointly and severally accept full responsibility for the accuracy of the Information contained in this Circular and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration. There are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading. Therefore, we have no reason to believe that any material information has been omitted or withheld or doubt the truth or accuracy of the information provided in the Circular. We have, however, not conducted any independent investigation into the business and affairs of the Group, nor have we carried out any independent verification of the information supplied. We have also assumed that all representations contained or referred to in the Circular were true at the time they were made and at the date of the release of the Circular and will continue to be true up to the Latest Practicable Date and that the Independent Shareholders will be informed as soon as reasonable possible if we are aware of any material change to such representations and/or any change to our view/opinion. We have also assumed that the information we have relied on as set out in this letter will be valid, and we are not aware that any of the information we have relied on as set out in this letter will change or become invalid in the foreseeable future.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We consider that we have been provided with and reviewed sufficient information to reach an informed view, justify relying on the accuracy of the information in the Circular, and provide a reasonable basis for our opinion. We have no reason to doubt that any relevant material facts have been withheld or omitted from the information provided and referred to in the Circular or the reasonableness of the opinions and representations provided to us by the Directors and the Management. We have not, however, conducted any independent verification of the information provided, nor have we carried out any independent investigation into the business, financial conditions and affairs of the Group or its prospects.

Based on the foregoing, we confirm that we have taken all reasonable steps applicable to the Transaction, as referred to in Rule 13.80 of the Listing Rules (including the notes thereof), in formulating our opinion and recommendation.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Assignment Agreement and the connected transaction contemplated thereunder. Except for its inclusion in the Circular, it is not to be quoted or referred to, in whole or in part, nor shall it be used for any other purposes without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. BACKGROUND OF THE SUBSCRIPTION AGREEMENT

1.1 The Subscription

On 20 November 2023, the Company and Jianlibao Asia entered into the Subscription Agreement, pursuant to which the Company (as the subscriber) conditionally agreed to subscribe, and Jianlibao Asia (as the issuer) conditionally agreed to issue, the Subscription Shares, representing approximately 8.40% of the total issued share capital of Jianlibao Asia as enlarged by the allotment and issuance of the Subscription Shares upon Completion, at the Subscription Amount.

On 27 November 2023, the Company made the Subscription Deposit as part of the Subscription Amount in accordance with the terms of the Subscription Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Subscription Deposit was financed by Mr. Yeung, a non-executive Director. The remaining balance of the Subscription Amount, which amounts to RMB240 million, will be made by the Company through its internal resources upon completion of the Subscription.

1.2 The Unpredictable Matters

On 25 March 2024, the Company received a letter from the SFC stating that they have been investigating the Unpredictable Matters. These Unpredictable Matters consist of (i) the Unauthorized Transfer and (ii) the overstatement of the Group's bank balances that were found in the Group's audited financial statements for the three financial years ended 31 December 2021 and in the Group's unaudited financial statements for the six months ended 30 June 2022.

Completion is conditional upon fulfilment of certain conditions precedent as set out in the Subscription Agreement, and the date by which such conditions must be satisfied (or waived) for the Completion to take place is 30 April 2024.

On 29 March 2024, Jianlibao Asia notified the Company in writing that all the conditions precedent required to be fulfilled by Jianlibao Asia under the Subscription Agreement had been fulfilled, and the Subscription could proceed to completion. Pursuant to the Subscription Agreement, the Subscription's completion shall occur on the third business day following such notice. However, due to the Unpredictable Matters, the Board considered the Company's financial resources inadequate to complete the Subscription.

On 2 April 2024, the Company notified Jianlibao Asia about the Unpredictable Matters. Due to its current financial position, the Company determined that it is unable to complete the Subscription. To address the matter, the Company took proactive measures and negotiated with Jianlibao Asia. After fair and impartial negotiations, the Company agreed to assign all rights and obligations under the Subscription Agreement to True Choice.

On 30 April 2024, based on the principles of the aforesaid negotiations and agreement, the Company, True Choice and Jianlibao Asia entered into the Assignment Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2. PRINCIPAL TERMS OF THE ASSIGNMENT AGREEMENT

The principal terms of the Assignment Agreement are set out as follows:

- Date** : 30 April 2024
- Parties** : (i) The Company;
(ii) True Choice;
(iii) Jianlibao Asia; and
(iv) Mr. Yeung
- Subject Matter** : The Company shall assign and novate all of its Rights and Obligations under the Subscription Agreement to True Choice, and True Choice shall take up and assume all of the Company's Rights and Obligations under the Subscription Agreement upon completion of the Assignment and Novation thereunder and whereupon the Company shall be released and discharged in full all of its Rights and Obligations under the Subscription Agreement.

Jianlibao Asia and True Choice have conditionally agreed that (i) True Choice shall enter into the True Choice Subscription Agreement with Jianlibao Asia upon completion of the Assignment and Novation; (ii) the size of the subscription in terms of shares to be subscribed and shareholding percentage in Jianlibao Asia shall be adjusted; (iii) the valuation (for 100% interest in Jianlibao) shall remain the same, being RMB6 billion; and (iv) the subscription price payable by True Choice to Jianlibao Asia for the Adjusted Subscription shall be partially satisfied by the set-off the RMB60,000,000 Subscription Deposit assigned by the Company to True Choice under the Assignment Agreement and the balance of RMB1,461,645.23 to be satisfied by True Choice with its own fund.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Consideration

The Assignment Consideration for the Assignment and Novation of the Company's Rights and Obligations to True Choice is RMB60,000,000 which represents the same amount of the Subscription Deposit. The Assignment Consideration shall be satisfied through the set-off of the RL Loan owed to Rainbow Lead by the Group upon completion of the Assignment and Novation.

The Assignment Consideration was determined after arm's length negotiations among the Parties to the Assignment Agreement taking into account, amongst other factors, (i) the Company's lack of financial resources to fulfil its obligations to consummate the Subscription; (ii) the amount of the Subscription Deposit paid which represents the Assignment Consideration; and (iii) the terms and conditions of the Subscription Agreement; (iv) the Company's financial exposure in defaulting on the Subscription Agreement.

On the basis of the above the Directors (other than the independent non-executive Directors whose views will be given after taking the advice from the Independent Financial Adviser) consider the Assignment Consideration to be fair and reasonable.

For details on the terms of the Assignment Agreement, including conditions precedent, completion, and the effect of termination, please refer to the Letter.

3. INFORMATION OF THE PARTIES TO THE ASSIGNMENT AGREEMENT

3.1 The Company

The Company is a limited liability company incorporated in the British Virgin Islands, and its Shares are listed on the main board of the Stock Exchange. The Group is principally engaged in the manufacturing and sales of processed fruit and beverage products and the trading of fresh fruits.

3.2 Jianlibao Asia

Jianlibao Asia is a limited liability company incorporated in the Cayman Islands and is principally engaged in investment holding. Mr. Yip Hung Hon and Mr. Yeung Wan Chun indirectly hold 60% and 40% of interests in Jianlibao Asia, respectively. Jianlibao Asia is the majority shareholder of Jianlibao, a company incorporated in the PRC that is principally engaged in the manufacturing and distribution of sports drinks in the PRC, directly holding approximately 55.54% of the total issued shares in Jianlibao.

3.3 True Choice

True Choice is a limited liability company incorporated in the British Virgin Islands and is wholly owned by Mr. Yeung. It is principally engaged in investment holding.

4. FINANCIAL POSITION OF THE GROUP

References are made to the announcements of the Company dated 15 April 2024 and 19 April 2024.

On 25 March 2024, the Company received the SFC Letter indicating that the SFC has been investigating the Unpredictable Matters and has raised concerns regarding, amongst other things, the misstatement of the Group's bank balances that were found in its audited financial statements for the three financial years ended 31 December 2021 and in the unaudited financial statements for the six months ended 30 June 2022.

The alleged misstatements of bank balances concern two bank accounts of the Group, namely (i) the Wuhan Rural Commercial Bank account held by Tiantong Food (Yichang) Limited* (天同食品(宜昌)有限公司), a former subsidiary of the Company that was involved in the Unauthorized Transfer; and (ii) the Linshang Bank account held by Shandong Tiantong Food Co., Limited* (山東天同食品有限公司).

The SFC Letter accused the Group of misstating their cash and bank balances in its published results. This was based on the records and documents provided by the Company to the SFC and the bank documents that were independently obtained by the SFC. The Board has conducted a preliminary review of the available information and determined that the Group's bank balance is approximately RMB1.1 million.

5. REMEDIAL MEASURES AND APPOINTMENT OF INDEPENDENT MANAGER

In response to the concerns raised by the SFC Letter and the Unpredictable Matters and, the Group took immediate actions to safeguard its assets. The SFC instructed the Company to engage a reputable independent consultant (the “**Independent Manager**”), who will be agreed by the SFC, (i) to safeguard the Group’s assets until the investigation of the Unpredictable Matters (the “**Investigation**”) and internal control review are completed, and (ii) to take appropriate steps to ensure the integrity of the Company’s management.

On 19 April 2024, the Company obtained clearance from the SFC and engaged Acclime Corporate Advisory (Hong Kong) Limited as the Independent Manager to assist the Company in safeguarding the Group’s assets. The Independent Manager will notify the SFC any anomalies or irregularities recognized during the process. The required steps for safeguarding the Group’s assets are set out in (1) to (6) below. The Independent Manager and all members of the Audit Committee of the Company will be jointly responsible for executing all of the safeguarding procedures below:

1. Add a representative of the Independent Manager as a joint signatory of all bank accounts of the Group for approving any payment in excess of RMB500,000 (or an equivalent sum in other currency);
2. Without prior written approval by the Independent Manager, the Group is not allowed to effect any payment subject to a daily payment limit of RMB500,000 (or an equivalent sum in other current currency) in aggregate in respect of which no prior written approval by the Independent Manager is needed;
3. All the bank transactions and balances of the Group will be verified, reviewed and analyzed by the Independent Manager on a weekly basis with reference to the relevant bank statements, records and other supporting documents;
4. Any disposal of the Group’s assets with net book value in excess of RMB500,000 (or an equivalent sum in other currency) requires prior written approval by the Independent Manager;
5. Notify all the Group’s current debtors that any settlement of trade balances be made directly to the Group’s bank account(s) designated by the Independent Manager; and
6. The trade receivables balances will be verified, reviewed and analyzed by the Independent Manager on a monthly basis with reference to the relevant supporting documents.

6. REASONS FOR ENTERING INTO THE ASSIGNMENT AGREEMENT

In assessing the reasons for entering into the Assignment Agreement, we have considered the Board's view on such matters and arrived at a conclusion after reviewing the matter and enquiring with Management.

6.1 The Board's view

Reference is made to the section headed "Reasons For And Benefits Of The Assignment Agreement" in the Letter.

The Company entered into the Subscription Agreement in November 2023 for the reasons set out in the announcement dated 20 November 2023. As disclosed in the latest announcements of the Company made on 15 April 2024 after the Unpredictable Matters, the Group's financial position has taken a substantial downturn. Based on the estimation of the Company's Management, currently, the Company's cash is only approximately RMB1.1 million in the bank.

Under the terms of the RL Loan Agreement, the interest of 3.45% is to be accrued annually and paid to Rainbow Lead by Tianyi Holding on 31 December of each year. As at the Latest Practicable Date, the Group has not made any interest payments on the RL Loan and the accrued interest on the RL Loan amounted to approximately RMB1.04 million. Notwithstanding completion of the Assignment Agreement, the Group shall remain obligated to pay the accrued interest to Rainbow Lead.

The Board, after taking into account that (i) the Group is in a critical financial situation with only about RMB1.1 million in cash reserves, (ii) the Company has the inadequate financial capacity to fulfil the remaining RMB240 million required for the Subscription, (iii) failing to meet the terms of the Subscription Agreement will lead to the forfeiture of the RMB60 million Subscription Deposit to Jianlibao Asia, and (iv) the Group remains obligated to repay the RL Loan, amounting to RMB60 million, provided by Mr. Yeung on 27 November 2023, to finance the Subscription Deposit. Based on the best information and resources which the Company has on hands as of today, the Board considers it is in the best interest of the Company not to proceed with the Subscription (even if Jianlibao Asia agrees to allow the Company to scale down the Subscription) but enter into the Assignment Agreement such that the Company shall be discharged and released from the Rights and Obligations under the Subscription Agreement.

The Board is of the view that, by assigning the obligation to subscribe for Jianlibao Asia's shares to True Choice and offsetting the RL Loan against the Subscription Deposit, the Group is relieved from the burden of repaying the RL Loan, for which the Group does not have spare resources under the current financial strain.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Pursuant to Assignment Agreement, True Choice will subscribe to Jianliba's new subscription shares at the same valuation (RMB6 billion for 100% of Jianlibao Asia) as the Company under the Subscription. The Assignment Agreement is the result of friendly negotiation between the Parties on an arm's length basis, with a view to helping relieve the Company from further financial burden arising from the default on the Subscription Agreement.

Should the Independent Shareholders not approve the Assignment Agreement at the EGM, Jianlibao Asia would have the right to forfeit the Subscription Deposit, given the Company has already breached the Subscription Agreement. Additionally, the Group would still be required to repay the RL Loan, which amounts to RMB60 million, to Rainbow Lead. Due to the ongoing Unpredictable Matters, the continued suspension in trading of the Shares, and the current dire financial situation of the Company, it is not feasible for the Company to secure funding through equity or debt fundraising exercises. The Board believes that the Assignment Agreement and the Assignment and Novation contemplated thereunder is the only viable option to relieve the Company from further financial burden which the Company is not in a position to handle and are in the interest of the Company and the Shareholders.

The Directors (including the independent non-executive directors) believe that the terms of the Assignment Agreement are fair and reasonable, on normal commercial terms after arm's length negotiations between the Parties and in the interests of the Company and the Shareholders as a whole.

6.2 Our view

In order to assess the reasons for entering into the Assignment Agreement, we conducted the following work done:

- i. reviewed all agreement relevant to the Transaction, including (a) the Assignment Agreement; (b) the Subscription Agreement; and (c) the RL Loan Agreement;
- ii. reviewed the Company's announcements dated 15 April 2024 and 19 April 2024;
- iii. discussed with the Management to understand the latest financial situation of the Group and the obligation of the Company in the case that the Shareholders vote down the Assignment Agreement at the EGM; and
- iv. interviewed the various professionals, which include but not limited to the Independent Manager and Company's legal consultant etc.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

After performed the above, we summarised the factors that had been considered by the Company before entering into the Assignment Agreement as below:

- a. based on the latest available financial information of the Group and the interview results, it has been confirmed that the Group's available and confirmed cash on hand is approximately RMB1.1 million. Therefore, considering this financial situation, the Company does not have enough resources to settle the remaining balance of RMB240 million that is required under the Subscription Agreement;
- b. the failure to fulfill the Subscription Agreement would result in Jianlibao Asia forfeiting the Subscription Deposit;
- c. the Group is obligated to repay the RL Loan of RMB60 million to Rainbow Lead within a specified timeframe;
- d. due to the suspension of the Company's Shares and the risk exposure associated with providing debt financing to the Group, the Company has limited options to obtain new funds to settle its financial obligation for the Subscription;
- e. the Management confirmed that if the Company can obtain additional financial resources, its top priority will be to sustain the Group's operations;
- f. the Assignment Agreement enables the Company to assign the obligation to subscribe for Jianlibao Asia's shares to True Choice, while the RL Loan will be offset, and the subscription price payable by True Choice to Jianlibao Asia for the Adjusted Subscription shall be partially satisfied by the set-off the RMB60,000,000 Subscription Deposit assigned by the Company to True Choice under the Assignment Agreement; and the remaining balance of RMB1,461,645.23 for the Adjusted Subscription shall be satisfied by True Choice with its own fund;
- g. given the ongoing suspension of trading in the Company's shares and the severe financial challenges it faces, it is currently unfeasible for the Company to raise fund through either equity or debt financing activities; and

- h. in the case that the Shareholders vote down the Assignment Agreement at the EGM, the Assignment Agreement and the Assignment and Novation contemplated thereunder will no longer be able to exercise, along with the Company remaining in breach of the Subscription Agreement, Jianlibao Asia has the right to forfeit the Subscription Deposit and the Group retains the obligation to repay the RL Loan with a principal amount of RMB60 million to Rainbow Lead.

6.3 Conclusion

Considering the above, we concluded that the Company does not have enough funds to fulfil the outstanding payment of RMB240 million required under the Subscription Agreement. Also, the current financial position of the Group is inadequate for repaying the RL Loan. In the absence of the Assignment Agreement, the Group would face an increased financial strain while simultaneously dealing with the continued suspension of its share trading, the Unpredictable Matters, and its precarious financial state, without any viable alternative for fulfilling the obligations of the Subscription Agreement. There will be no additional fees or costs incurred by the Group following the execution of the Assignment Agreement. The Assignment Agreement will reduce the financial burden on the Group in repaying the payment of RMB240 million under the Subscription Agreement and the repayment of the RL Loan. Therefore, we concur with the Directors that (i) the Assignment Agreement and the Assignment and Novation contemplated thereunder is presenting the only practical option to alleviate the Group from additional financial burdens, considering its current inability in finance and (ii) the terms of the Assignment Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

7. FINANCIAL EFFECTS UPON COMPLETION OF THE ASSIGNMENT AGREEMENT

Upon completion of the Assignment Agreement, the outstanding amount due to Rainbow Lead will be set off against the Subscription Deposit. There will be no further obligation to settle the remaining balance of RMB240 million under the Subscription Agreement, effectively releasing the Company from all responsibilities and obligations under the Subscription Agreement.

8. RECOMMENDATION

Having considered the above-mentioned principal factors and reasons, we believe that the Assignment Agreement and the transactions contemplated thereunder are on normal commercial terms and entered into the ordinary and usual course of business of the Group. We also consider that the terms and conditions of the Assignment Agreement and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we would recommend the Independent Shareholders and advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary resolution proposed at the EGM to approve the Assignment Agreement and the connected transaction contemplated thereunder.

Yours faithfully
For and on behalf of
Silverbricks Securities Company Limited
Yau Tung Shing
Co-head of Corporate Finance

Mr. Yau Tung Shing is a licensed individual under the SFO, authorized to conduct Type 6 (advising on corporate finance) regulated activities in accordance with the SFO. He is considered a responsible officer of Silverbricks Securities Company Limited. Mr. Yau Tung Shing has over seven years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

This document, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and the chief executive's interests and short positions in the Shares, underlying Shares and debenture of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company and their respective associates in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Shares and Underlying Shares of the Company

Name of Directors	Capacity/Nature of interest	Number of Shares held	Approximate percentage of total issued share capital
Mr. Yeung Wan Yiu	Interest in a controlled corporation	273,886,740 (Note 1)	27.65%

Name of Directors	Capacity/Nature of interest	Number of Shares held	Approximate percentage of total issued share capital
Mr. Yeung Wing Keung	Beneficial owner	130,000	0.01%
	Interest in a controlled corporation	15,100,000 (Note 2)	1.52%
	Interest of spouse	270,000 (Note 3)	0.03%

Notes:

1. The shares are held by Rainbow Lead Ventures Limited and is wholly-owned by Mr. Yeung Wan Yiu. Mr. Yeung Wan Yiu is deemed to be interested in these shares under the SFO.
2. The shares are held by TOPBIZ Investments Limited and is 77.50% owned by Mr. Yeung Wing Keung. Mr. Yeung Wing Keung is deemed to be interested in these shares under the SFO.
3. Ms. Lau Sau Ling is the spouse of Mr. Yeung Wing Keung and Mr. Yeung Wing Keung is deemed to be interested in the shares held by Ms. Lau Sau Ling.
4. According to information available to the Company, the security over 198,180,260 shares of the Company (representing approximately 20.01% of the issued share capital of the Company) held by Wealthy Active Limited, was enforced. Wealthy Active Limited is wholly owned by Mr. Yang Ziyuan, an executive Director of the Company whose powers and duties have been suspended.

Save as disclosed above, to the best knowledge of the Directors as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had or was deemed to have any interests or short positions in any Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

(b) Substantial Shareholders' Interest in the Shares and underlying Shares

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO and, so far as is known to the Directors, the persons (other than a Director or chief executive of the Company or their respective associates) or entities who had, or were deemed or taken to have, an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or of any other company which is a member of the Group, or in any options in respect of such share capital were as follows:

Long positions in the Shares of the Company

Name of Shareholders	Capacity/Nature of interest	Number of Shares held	Approximate percentage of total issued share capital
Rainbow Lead Ventures Limited (Note 1)	Beneficial owner	273,886,740	27.65%
Mr. Wu Jun	Beneficial owner	198,180,260	20.01%
Mr. Yin Xiaolong	Beneficial owner	81,316,000	8.21%
Wealthy Maker Limited (Note 2)	Beneficial owner	49,530,000	5.00%

Notes:

1. Rainbow Lead Ventures Limited is a company incorporated in the British Virgin Islands and is wholly-owned by Mr. Yeung Wan Yiu.
2. Wealthy Maker Limited is a company incorporated in the British Virgin Islands and is wholly-owned by Mr. Li Xiaoshuang.
3. According to information available to the Company, the security over 198,180,260 shares of the Company (representing approximately 20.01% of the issued share capital of the Company) held by Wealthy Active Limited, was enforced. Wealthy Active Limited is wholly owned by Mr. Yang Ziyuan, an executive Director of the Company whose powers and duties have been suspended.

Save as disclosed above, so far as is known to the Directors, as at the Latest Practicable Date, no person (other than a Director or chief executive of the Company or their respective associates) had, or were deemed or taken to have, an interest or a short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO or directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Group, or of any other company which is a member of the Group, or any options in respect of such share capital.

3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

4. DIRECTORS' OTHER INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware of, none of themselves or their respective associates had any interest in a business which competes or may compete with the business of the Group or any other conflicts of interest with the Group.

As at the Latest Practicable Date, none of the Directors has any interest, either direct or indirect, in any assets which have been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2022, being the date to which the latest published audited financial statements of the Company were made up.

There is no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date in which any Director is materially interested and which is significant to the business of the Group.

5. MATERIAL ADVERSE CHANGE

The Company received a letter from the SFC on 25 March 2024 indicating that they have been investigating into and raising concerns in relation to circumstances suggesting (i) alleged non-existence of the unauthorized transfer in the amount of approximately RMB34.40 million conducted by Tiantong Yichang; and (ii) overstatement of bank balances of the Group in the Group's audited financial statements for the three financial years ended 31 December 2021 and in the Group's unaudited financial statements for the six months ended 30 June 2022. The misstatement was alleged to be in the range of approximately RMB433.8 million to approximately RMB563.7 million, representing over 90% of the Group's cash and bank balances and over 45% of the Group's net asset value in the published financial results.

The Company, with clearance from the SFC, had engaged Acclime on 19 April 2024 as the independent manager to safeguard the Group's assets and shall report any irregularities to the SFC immediately. Based on preliminary review of information available to the Board as of 15 April 2024, the bank balance of the Group was approximately RMB1.1 million.

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 26 March 2024. On 12 April 2024 the SFC issued a direction under Rule 8(1) of the Securities and Futures (Stock Market Listing) Rules to suspend trading in the shares of the Company with effect from 9:00 a.m. on 15 April 2024. Please refer to the Company's announcements dated 27 March 2024, 15 April 2024 and 19 April 2024 for further details

6. EXPERT AND CONSENT

The following is the qualification of the expert who has provided its advice, which is contained in this circular:

Name	Qualification(s)
Silverbricks Securities Company Limited	a corporation licensed to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts) and type 6 (advising on corporate finance) regulated activities under the SFO

The Independent Financial Adviser has given and have not withdrawn their written consents to the issue of this circular with the inclusion of their letter of advice and references to their name in the form and context in which the respectively appear.

As at the Latest Practicable Date, the Independent Financial Adviser had no shareholding interest in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

As at the Latest Practicable Date, the Independent Financial Adviser did not have any interest, direct or indirect, in any assets which have been acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2022 (being the date to which the latest published audited financial statements of the Group were made up).

7. MISCELLANEOUS

- (a) The registered office of the Company is situated at Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands, VG1110.
- (b) The head office and principal place of business of the Company in Hong Kong is at Rooms 1406-1407, 14/F, Nan Fung Tower, 88 Connaught Road Central, Central, Hong Kong.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (d) The English text of this circular and accompanying form of proxy shall prevail over their respective Chinese text in case of inconsistency.

8. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tianyuninternational.com) for a period of not less than 14 days from the date of this circular up to and including the date of the EGM:

- (i) the Assignment Agreement;
- (ii) the Subscription Agreement;
- (iii) the RL Loan Agreement;
- (iv) the written consent of expert as referred to in the paragraph headed "6. Expert and Consent" in this appendix;
- (v) the letter from the Independent Board Committee, the text of which is set out on page 17 in this circular;
- (vi) the letter from the Independent Financial Adviser, the text of which is set out on pages 18 to 33 in this circular; and
- (vii) this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Tianyun International Holdings Limited
天韻國際控股有限公司

(Incorporated in the British Virgin Islands with limited liability)
(Stock code: 6836)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Tianyun International Holdings Limited (the “**Company**”) will be held on Friday, 21 June 2024 at 11:00am at 10/F, Shum Tower, 268 Des Voeux Road Central, Sheung Wan, Hong Kong to transact the following ordinary business:

ORDINARY RESOLUTION

To consider and, if thought fit, pass, with or without modification, the following resolution as ordinary resolution of the Company.

“THAT:

- (a) the Assignment Agreement dated 30 April 2024 (“**the Assignment Agreement**”) entered into between the Company (as transferor), True Choice International Limited (“**True Choice**”) (as transferee), Mr. Yeung Wan Yiu and Jianlibao Asia Limited pursuant to which the Company has conditionally agreed to assign and novate its rights and obligations under the Subscription Agreement dated 20 November 2023 to True Choice and True Choice has conditionally agreed to assume all the rights and obligations of the Company under the Subscription Agreement at a consideration of RMB60 million (details of the Assignment Agreement are set out in the Company’s circular dated 4 June 2024 (the “**Circular**”) and copies of the Assignment Agreement and the Circular have been tabled at the meeting and marked “**A**” and “**B**” respectively for the purpose of identification) and the transaction contemplated thereunder be and are hereby approved confirmed and ratified;
- (b) any one or more of the directors of the Company be and is/are hereby authorized to do such acts and execute such documents as they may consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with or in relation to the Assignment Agreement and the transaction contemplated thereunder.”

By Order of the Board
Tianyun International Holdings Limited
Yeung Wan Yiu
Chairman & Non-Executive Director

Hong Kong, 4 June 2024

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered Office:
Commerce House, Wickhams Cay 1,
PO Box 3140, Road Town, Tortola,
British Virgin Islands, VG1110

Hong Kong Principal Place of Business:
Rooms 1406-1407, 14/F,
Nan Fung Tower,
88 Connaught Road Central,
Central, Hong Kong

Notes:

1. Any Shareholder entitled to attend and vote at the EGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a Shareholder.
2. In order to be valid, a form of proxy and the power of attorney (if any) or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
3. The transfer books and register of members of the Company will be closed from Tuesday, 18 June 2024 to Friday, 21 June 2024, both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending and voting at the EGM, all transfer documents, accompanied by the relevant share certificates and appropriate transfer forms, must be lodged with the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30pm on Monday, 17 June 2024.
4. Completion and delivery of the form of proxy will not preclude a Shareholder from attending and voting in person at the EGM if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
5. In the case of joint registered holders of any Shares, any one of such joint registered holders may vote at the EGM, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint registered holders be present at the EGM, the vote of the senior who tenders a vote either personally or by proxy shall be accepted to the exclusion of the votes of the other joint registered holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. The resolution at the EGM will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
7. If tropical cyclone warning signal no. 8 or above is hoisted or "extreme conditions" caused by super typhoons or a black rainstorm warning signal is in force at 7:00am on Friday, 21 June 2024, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.

As at the date of this notice, the executive Directors are Mr. Yang Ziyuan (duties suspended), Mr. Sun Xingyu (duties suspended), Dr. Wan Ho Yuen, Terence; the non-executive Directors are Mr. Yeung Wan Yiu (Chairman), Ms. Chu Yinghong, Mr. Wong Yim Pan and Mr. Yeung Wing Keung; and the independent non-executive Directors are Ms. Weijie Chen, Ms. Lau Chui Ping Soey and Mr. Shiu Shu Ming.