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

If you have sold or transferred all your shares in Tesson Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other transferee or to the bank manager, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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TESSON HOLDINGS LIMITED

天臣控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 1201)

**PROPOSED CAPITAL REORGANISATION
AND
NOTICE OF SGM**

Capitalised terms used in the lower portion of this cover page shall have the same respective meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 6 to 13 of this circular.

A notice convening the SGM to be held at Monet Room A, B1 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, East Tsim Sha Tsui, Kowloon, Hong Kong at 11:00 a.m. on Friday, 13 December 2024 is set out on pages SGM-1 to SGM-3 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. If you are a Shareholder and are not able to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and any power of attorney or other authority (if any) under which it is signed, or a certified copy of that power of attorney, to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the SGM. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the SGM, or any adjournment thereof, should they so wish and in such event the form of proxy shall be deemed to be revoked.

27 November 2024

CONTENTS

	<i>page</i>
DEFINITIONS	1
EXPECTED TIMETABLE OF CAPITAL REORGANISATION	4
LETTER FROM THE BOARD	6
NOTICE OF SPECIAL GENERAL MEETING	SGM-1

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 1 November 2024 in relation to, among others, the proposed Capital Reorganisation
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby (i) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled; and (ii) the par value of each issued Consolidated Share will be reduced from HK\$1.0 to HK\$0.1 by cancelling the paid-up share capital to the extent of HK\$0.9 on each of the then issued Consolidated Share
“Capital Reorganisation”	collectively, the Share Consolidation, the Capital Reduction and the Sub-division
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time)
“Company”	Tesson Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1201)
“Consolidated Share(s)”	ordinary share(s) of HK\$1.0 each in the share capital of the Company immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and the Sub-division becoming effective

DEFINITIONS

“Director(s)”	the director(s) of the Company
“Existing Share(s)”	ordinary share(s) of HK\$0.1 each in the existing share capital of the Company before the Share Consolidation becoming effective
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 November 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company upon the Capital Reorganisation becoming effective
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Capital Reorganisation and the transactions contemplated thereunder
“Share(s)”	the Existing Share(s), the Consolidated Share(s) and/or the New Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares of HK\$0.1 each into one (1) Consolidated Share of HK\$1.0 each

DEFINITIONS

“Share Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, the address of which is Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-division”	the proposed sub-division of each authorised but unissued Consolidated Share of HK\$1.0 each into ten (10) authorised but unissued New Shares of HK\$0.1 each
“%”	per cent

EXPECTED TIMETABLE OF CAPITAL REORGANISATION

The expected timetable for the Capital Reorganisation is set out below. The expected timetable is subject to the results of the SGM and satisfaction of the respective conditions to the Capital Reorganisation, and is therefore for indicative purpose only. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to Hong Kong local times and dates.

Events	Time and Date
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Latest time for lodging transfer documents of the Shares in order to be qualified for attendance and voting at the SGM	4:30 p.m. on Monday, 9 December 2024
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Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the SGM (both days inclusive)	Tuesday, 10 December 2024 to Friday, 13 December 2024
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Latest time for lodging proxy forms for the SGM (not less than 48 hours prior to the time of the SGM)	11:00 a.m. on Wednesday, 11 December 2024
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Date and time of the SGM	11:00 a.m. on Friday, 13 December 2024
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Publication of the announcement of the results of the SGM	Friday, 13 December 2024
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The following events are conditional on the fulfillment of the conditions for the implementation of the Capital Reorganisation:

Expected effective date of the Capital Reorganisation	Tuesday, 17 December 2024
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First day of free exchange of existing share certificates for new share certificates for the New Shares	Tuesday, 17 December 2024
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Dealings in the New Shares commences	9:00 a.m. on Tuesday, 17 December 2024
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Original counter for trading in Existing Shares in board lots of 3,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 17 December 2024
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EXPECTED TIMETABLE OF CAPITAL REORGANISATION

Events	Time and Date
Temporary counter for trading in the New Shares in board lots of 300 New Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 17 December 2024
Original counter for trading in the New Shares in board lots of 3,000 New Shares (in the form of new share certificates) re-opens	9:00 a.m. on Friday, 3 January 2025
Parallel trading in the New Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Friday, 3 January 2025
Designated broker starts to stand in the market to provide matching services for odd lots of the New Shares	9:00 a.m. on Friday, 3 January 2025
Designated broker ceases to stand in the market to provide matching services for odd lots of the New Shares	4:00 p.m. on Thursday, 23 January 2025
Temporary counter for trading New Shares in board lots of 300 New Shares (in the form of existing share certificates) closes	4:10 p.m. on Thursday, 23 January 2025
Parallel trading in the New Shares (in the form of new share certificates and existing share certificates) ends	4:10 p.m. on Thursday, 23 January 2025
Last day for free exchange of existing share certificates for new share certificates for the New Shares	4:30 p.m. on Monday, 27 January 2025

LETTER FROM THE BOARD



TESSON HOLDINGS LIMITED

天臣控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 1201)

Executive Directors:

Mr. Wei Qingwen
Mr. Wei Mingren (*Chairman*)
Mr. Yan Haiting
Mr. Chan Wei
Ms. Yu Xiaolei

Independent Non-executive Directors:

Dr. Ng Ka Wing
Mr. See Tak Wah
Mr. Wang Jinlin

Registered Address:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

*Principal Place of Business
in Hong Kong:*

Room 401A, Empire Centre
68 Mody Road
Tsim Sha Tsui
Kowloon
Hong Kong

27 November 2024

To the Shareholder(s)

Dear Sir or Madam,

PROPOSED CAPITAL REORGANISATION AND NOTICE OF SGM

INTRODUCTION

Reference is made to the Announcement in relation to the proposed Capital Reorganisation. The purpose of this circular is to provide you with information regarding the proposed Capital Reorganisation, together with a notice convening the SGM for the purpose of considering, and if though fit, approving the resolutions to be proposed.

LETTER FROM THE BOARD

PROPOSED CAPITAL REORGANISATION

Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$500,000,000 divided into 5,000,000,000 Existing Shares with par value of HK\$0.1 each, of which 2,196,852,283 Existing Shares have been issued and are fully paid. The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares with par value of HK\$0.1 each be consolidated into one (1) Consolidated Share with par value of HK\$1.0 each.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

Capital Reduction and Sub-division

The Board further proposes that immediately following the Share Consolidation becoming effective, the Capital Reduction and the Sub-division be implemented in the following manner:

- (i) the Capital Reduction whereby (a) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled; and (b) the par value of each issued Consolidated Share will be reduced from HK\$1.0 to HK\$0.1 by cancelling the paid-up share capital to the extent of HK\$0.9 per issued Consolidated Share, so that following such reduction, each issued Consolidated Share shall become one New Share with par value of HK\$0.1 each;
- (ii) the credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated losses of the Company. The balance of the credit (if any) will be transferred to the contributed surplus account of the Company within the meaning of the Companies Act and be applied for such purposes as permitted by all applicable laws and the memorandum of association and Bye-laws and as the Board considers appropriate;
- (iii) immediately following the Capital Reduction becoming effective, the Sub-division whereby each authorised but unissued Consolidated Share will be subdivided into ten (10) authorised but unissued New Shares with par value of HK\$0.1 each; and
- (iv) each of the New Shares arising from the Capital Reduction and the Sub-division shall rank *pari passu* in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the memorandum of association and Bye-laws.

LETTER FROM THE BOARD

Effects of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$500,000,000 divided into 5,000,000,000 Shares of par value of HK\$0.1 each, and there are 2,196,852,283 Existing Shares in issue which are fully paid.

Assuming no further Existing Shares or (as the case may be) New Shares will be issued or repurchased from the Latest Practicable Date up to and including the date on which the Capital Reorganisation shall become effective, the authorised share capital of the Company shall be HK\$500,000,000 divided into 5,000,000,000 New Shares with par value of HK\$0.1 each, of which 219,685,228 New Shares will be in issue and fully paid or credited as fully paid.

Assuming that the par value of each of the 219,685,228 issued Consolidated Shares will be reduced from HK\$1.0 to HK\$0.1 per issued New Share by cancelling the paid up share capital to the extent of HK\$0.9 per issued Consolidated Share by way of the Capital Reduction, so as to form issued New Shares with par value of HK\$0.1 each, the Company's existing issued share capital of HK\$219,685,228 will be reduced by HK\$197,716,706 to HK\$21,968,522. The Capital Reduction and Sub-division (assuming the Share Consolidation becomes effective) will enable the par value of the Consolidated Shares to be reduced from HK\$1.0 to HK\$0.1 each. The credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated losses of the Company. The balance of credit (if any) will be transferred to the contributed surplus account of the Company within the meaning of the Companies Act and be applied for such purposes as permitted by all applicable laws and the memorandum of association and Bye-laws and as the Board considers appropriate.

LETTER FROM THE BOARD

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date on which the Capital Reorganisation becomes effective, the share capital structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and Sub-division becoming effective; and (iii) immediately after the Capital Reduction and the Sub-division becoming effective are summarised as follows:

	As at the Latest Practicable Date	Immediately after the Share Consolidation becoming effective but prior to the Capital Reduction and Sub-division becoming effective	Immediately after the Capital Reduction and the Sub-division becoming effective
Par value	HK\$0.1 per Existing Share	HK\$1.0 per Consolidated Share	HK\$0.1 per New Share
Amount of the authorised share capital	HK\$500,000,000	HK\$500,000,000	HK\$500,000,000
Number of authorised Shares	5,000,000,000	500,000,000	5,000,000,000
Amount of issued share capital	HK\$219,685,228	HK\$219,685,228	HK\$21,968,522
Number of issued Shares	2,196,852,283	219,685,228	219,685,228

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional on the following conditions being fulfilled:

- (i) the passing of necessary resolutions by the Shareholders at the SGM to approve the Capital Reorganisation and transactions contemplated thereunder;
- (ii) compliance with the relevant procedures and requirements under the Bye-laws and the Listing Rules to effect the Capital Reorganisation;
- (iii) compliance with the relevant procedures and requirements under the Companies Act and applicable laws of Bermuda to effect the Capital Reduction, which includes the Directors being satisfied that on the date the Capital Reduction is to take effect, there are no reasonable grounds for believing that the Company is, or after the Capital Reduction would be, unable to pay its liabilities as they become due;

LETTER FROM THE BOARD

- (iv) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation; and
- (v) obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

As at the Latest Practicable Date, none of the above conditions have been fulfilled.

Fractional entitlement to New Shares

Any fractional New Shares arising from the Capital Reorganisation, if any, will be disregarded and will not be issued to the Shareholders, but all such fractional New Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional New Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers the possibility of buying or selling the Shares in a number sufficient to make up an entitlement to receive a whole number of New Shares.

Odd lot arrangement and matching services

In order to alleviate the difficulties arising from the existence of odd lots of the New Shares, the Company has appointed Computershare Hong Kong Investor Services Limited as its agent to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares on a best effort basis, to those Shareholders who wish to acquire odd lots of Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of Consolidated Shares during the period from 9:00 a.m. on Friday, 3 January 2025 to 4:00 p.m. on Thursday, 23 January 2025 (both days inclusive). Shareholders who wish to take advantage of this service should contact Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or at telephone number (852) 2862 8555 during normal office hours of such period.

Holders of odd lots of the New Shares should note that successful matching of the sale and purchase of odd lots of the New Shares are not warranted. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

Listing and dealings

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares in issue and to be issued upon the Capital Reorganisation becoming effective.

LETTER FROM THE BOARD

The New Shares will be identical in all respects and rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the New Shares on the Stock Exchange, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the Existing Shares or any debt securities of the Company are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation becomes effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

BOARD LOT SIZE

The Existing Shares are currently traded on the Stock Exchange in board lot size of 3,000 Existing Shares. Upon the Capital Reorganisation becoming effective, the board lot size for trading in the New Shares will remain as 3,000 New Shares.

Based on the closing price of HK\$0.24 per Existing Share (equivalent to the theoretical closing price of HK\$2.4 per New Share) as quoted on the Stock Exchange as at the Latest Practicable Date, (i) the value per board lot of 3,000 Existing Shares is HK\$720; and (ii) the value of each board lot of 3,000 New Shares would be HK\$7,200 assuming the Capital Reorganisation becoming effective.

REASONS FOR THE CAPITAL REORGANISATION

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the share approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the listed issuer to either change the trading method or to proceed with a consolidation or splitting of the Existing Shares. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 (and last updated in September 2024) has further stated that (i) market price of the share at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account that the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

In view of the recent trading price of the Shares at the value per board lot being substantially less than HK\$2,000, the Board considers that upon the Capital Reorganisation becoming effective, the Share price would be adjusted to HK\$2.4 per New Share (based on the closing price of HK\$0.24 per Existing Share as at the Latest Practicable Date); the new board lot value would be HK\$7,200, which would enable the Company to comply with the trading requirements under the Listing Rules.

LETTER FROM THE BOARD

The Capital Reorganisation is expected to bring about a corresponding upward adjustment in the trading price per board lot of the New Shares on the Stock Exchange, which will reduce the overall transaction and handling costs of dealings in the New Shares as a proportion of the market value of each board lot, since most of the banks or securities firms will charge a minimum transaction cost for each securities trade. It is expected that the Capital Reorganisation would maintain the trading amount for each board lot at a reasonable level and attract a broader range of investors of the Company and thus further broaden the Shareholders' base, including institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor. It is also expected that the liquidity in trading of the New Shares will increase accordingly.

The Capital Reorganisation will not have any material adverse effect on the financial position of the Company nor result in change in the relative rights of the Shareholders and are in the interests of the Company and the Shareholders as a whole.

Under the Companies Act, the Company may not issue Shares at a discount to the par value of such Shares. Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction and Sub-division, the par value of the Consolidated Shares will be HK\$1.0 per Consolidated Share. The Capital Reorganisation will keep the par value of the New Shares at a lower level of HK\$0.1 per New Share, which allows greater flexibility in the pricing for any issue of new Shares in the future. In addition, the credit arising from the Capital Reorganisation will be transferred to the contributed surplus account of the Company within the meaning of the Companies Act, thus enabling the Shareholders and potential investors of the Company to have a better appreciation of the financial position of the Company.

Other than the relevant expenses, including but not limited to professional fees and printing charges to be incurred in relation to the Capital Reorganisation, the implementation of the Capital Reorganisation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Company and that on the date the Capital Reorganisation to be effected, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due. The Capital Reorganisation will not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any unpaid capital of the Company nor will it result in any change in the relative rights of the Shareholders.

In view of the above reasons, the Board considers that the Capital Reorganisation is justifiable. Accordingly, the Board is of the view that the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company has no plan or intention to carry out any equity and/or other corporate actions which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation in the next twelve (12) months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund-raising opportunities arise in order to support future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

EXCHANGE OF SHARE CERTIFICATES

Subject to the Capital Reorganisation having become effective, Shareholders may, during the specified period from 9:00 a.m. on Tuesday, 17 December 2024 to 4:30 p.m. on Monday, 27 January 2025 (both days inclusive), submit the existing share certificates for the Existing Shares to the Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in exchange, at the expense of the Company, for new share certificates for the New Shares.

Thereafter, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for New Shares at the expense of the Shareholders on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each existing share certificate cancelled or each new share certificate issued for New Shares (whichever is higher) but are not acceptable for trading, settlement and registration purposes.

The new share certificates for the New Shares will be issued in orange colour in order to distinguish them from the existing share certificates in blue colour.

WARNING

Shareholders and potential investors should note that the Capital Reorganisation is conditional upon the fulfilment of certain conditions as set out in the section headed "Conditions of the Capital Reorganisation". Therefore, the Capital Reorganisation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

Yours faithfully,
By order of the Board
Tesson Holdings Limited
Wei Mingren
Chairman

NOTICE OF SPECIAL GENERAL MEETING



TESSON HOLDINGS LIMITED

天臣控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 1201)

NOTICE IS HEREBY GIVEN that a special general meeting of Tesson Holdings Limited (the “**Company**”) will be held at 11:00 a.m. on Friday, 13 December 2024 at Monet Room A, B1 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, East Tsim Sha Tsui, Kowloon, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution:

SPECIAL RESOLUTION

“**THAT**, subject to the satisfaction of all conditions set out in the letter from the board under the paragraph headed “Conditions of the Capital Reorganisation” in the circular of the Company dated 27 November 2024, with effect from 17 December 2024 or the conditions are fulfilled (whichever is later):

- (a) every ten (10) issued and unissued existing shares of par value of HK\$0.1 each will be consolidated into one (1) consolidated share (the “**Consolidated Share(s)**”) of par value of HK\$1.0 each (the “**Share Consolidation**”);
- (b) immediately after the Share Consolidation becoming effective, the issued share capital of the Company will be reduced to the effect that the par value of each issued Consolidated Share will be reduced from HK\$1.0 to HK\$0.1 by (a) cancelling any fraction of a share in the issued share capital of the Company arising from the Share Consolidation in order to round down the total number of the shares to a whole number; and (b) cancelling HK\$0.9 of the paid-up capital of the Company on each Consolidated Share (the “**New Share(s)**”) (the “**Capital Reduction**”);
- (c) immediately following the Share Consolidation and the Capital Reduction becoming effective, each authorised but unissued Consolidated Share of par value of HK\$1.0 will be subdivided into ten (10) authorised but unissued New Shares of par value of HK\$0.1 each (the “**Sub-division**”) so that immediately following the Share Consolidation, the Capital Reduction and the Sub-division (collectively, the “**Capital Reorganisation**”), the authorised share capital of the Company shall remain at HK\$500,000,000 divided into 5,000,000,000 New Shares with par value of HK\$0.1 each, and the issued share capital of the Company shall be reduced by HK\$197,716,706 from HK\$219,685,228 divided into 2,196,852,283 Existing Shares to HK\$21,968,522 divided into 219,685,228 New Shares;

NOTICE OF SPECIAL GENERAL MEETING

- (d) subject to the restrictions as set out in the memorandum of association and bye-laws of the Company (the “**Bye-laws**”), the New Shares will be identical in all respects and rank *pari passu* in all respects with each other;
- (e) all fractional New Shares shall be disregarded and not be issued to the shareholders of the Company and any fractions of the New Shares be aggregated and, if possible, sold for the benefits of the Company and the net proceeds retained for the benefits of the Company;
- (f) the credits arising from the Capital Reduction shall be applied to set off the accumulated losses of the Company as of the effective date of the Capital Reduction and the balance (if any) shall be transferred to the contributed surplus account of the Company within the meaning of the Companies Act (the “**Contributed Surplus Account**”) and the amount standing to the credit of the Contributed Surplus Account be applied in any manner as may be permitted under all applicable laws and the memorandum of association and Bye-laws as the directors of the Company (the “**Director(s)**”) consider appropriate without further authorization from the shareholders of the Company; and
- (g) any one Director be and is hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under the common seal of the Company where applicable, and take any and all steps, and to do and/or procure to be done any and all acts and things as he or she may consider necessary, desirable or expedient to give effect to the Capital Reorganisation.”

By order of the Board
Tesson Holdings Limited
Wei Mingren
Chairman

Hong Kong, 27 November 2024

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her and vote on his/her behalf. A proxy need not be a member of the Company. A proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he/she/they represent as such member could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. The instrument appointing a proxy (if required by the Board) together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of authority, must be delivered to the offices of the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the registered office or the branch registrar of the Company (or such other place as may be specified for the delivery of the instruments of proxy in the notice convening the meeting) two (2) hours at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.
6. The register of members will be closed from 10 December 2024 to 13 December 2024 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the aforesaid meeting, all transfer forms of shares accompanied by the relevant shares certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 9 December 2024.
7. If tropical cyclone warning signal number 8 or above or a "black" rainstorm warning or "extreme conditions caused by a super typhoons" announced by the Government of Hong Kong is/are in effect any time and remains in force 3 hours before the time of the above meetings, the meeting will be adjourned.

The Company will post an announcement on the websites of Stock Exchange at www.hkexnews.hk and the Company at www.tessonholdings.com to notify shareholders of the date, time and place of the adjourned meeting.

8. As at the date of this notice, the Board comprises Mr. Wei Qingwen, Mr. Wei Mingren, Mr. Yan Haiting, Mr. Chan Wei and Ms. Yu Xiaolei as executive Directors, Dr. Ng Ka Wing, Mr. See Tak Wah and Mr. Wang Jinlin as independent non-executive Directors.