
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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Honma Golf Limited
本間高爾夫有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 6858)

**PROPOSED FINAL DIVIDEND,
PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Honma Golf Limited to be held at 31F, SWFC, 100 Century Avenue, Pudong New District, Shanghai, PRC on Thursday, 10 September 2020 at 10:00 a.m. is set out on pages 28 to 32 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.honma.hk).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions stated thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. no later than 10:00 a.m. on Tuesday, 8 September 2020 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish. In such event, the form of proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

To safeguard the health and safety of Shareholders and other participants and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the Annual General Meeting:

- (1) Compulsory temperature screening/checks;
- (2) Submission of health declaration form;
- (3) Wearing of surgical face mask throughout the Annual General Meeting; and
- (4) No provision of refreshments or drinks.

Attendees who do not comply with the precautionary measures referred to in (1) to (3) above will be denied entry to the Annual General Meeting venue at the absolute discretion of the Company as permitted by law.

24 July 2020

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 31F, SWFC, 100 Century Avenue, Pudong New District, Shanghai, PRC on Thursday, 10 September 2020 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 28 to 32 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Chairman Liu”	Mr. Liu Jianguo (劉建國)
“Company”	Honma Golf Limited 本間高爾夫有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“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
“Honma Japan”	Honma Golf Co., Ltd. (株式會社本間ゴルフ), a limited liability company incorporated on 18 February 1959 under the laws of Japan and an indirect wholly-owned subsidiary of the Company

DEFINITIONS

“Issue Mandate”	a general mandate to be granted to the Directors to issue, allot and deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 7 of the notice of the Annual General Meeting as set out on pages 28 to 32 of this circular
“Kouunn Holdings”	Kouunn Holdings Limited, a company incorporated on 27 September 2013 under the laws of the British Virgin Islands, a controlling shareholder which is in turn 100% indirectly owned by Vistra Trust (Hong Kong) Limited, the trustee of a trust of which Chairman Liu is the founder and beneficiary
“Latest Practicable Date”	20 July 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China and, unless the context otherwise requires, excluding, for the purpose of this circular, Hong Kong and Macau
“Prize Ray”	Prize Ray Limited, a company incorporated on 20 November 2018 under the laws of the British Virgin Islands, a controlling shareholder which is in turn 100% indirectly owned by Vistra Trust (Hong Kong) Limited, the trustee of a trust of which Chairman Liu is the founder and beneficiary
“Repurchase Mandate”	a general mandate to be granted to the Directors to exercise all powers of the Company to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 28 to 32 of this circular
“RSU”	a restricted share unit awarded to a participant under the RSU Scheme

DEFINITIONS

“RSU Scheme”	the restricted share unit scheme of the Company approved and adopted by the Board on 20 October 2015, to incentivise selected Directors, senior management and employees for their contribution to the Group, and to attract, motivate and retain skilled and experienced personnel
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers issued by the Securities and Futures Commission (as amended from time to time)

LETTER FROM THE BOARD



Honma Golf Limited
本間高爾夫有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6858)

Executive Directors:

Mr. LIU Jianguo (劉建國先生) (*Chairman and President*)
Mr. ITO Yasuki (伊藤康樹先生)
Mr. MURAI Yuji (邨井勇二先生)
Mr. ZUO Jun (左軍先生)

Non-executive Directors:

Mr. YANG Xiaoping (楊小平先生)
Mr. HO Ping-hsien Robert (何平僊先生)

Independent Non-executive Directors:

Mr. LU Pochin Christopher (盧伯卿先生)
Mr. WANG Jianguo (汪建國先生)
Mr. XU Hui (徐輝先生)

Registered Office in the Cayman Islands:

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PO Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Principal Place of Business in Hong Kong:

Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

Headquarter in Japan:

35F Roppongi Hills Mori Tower
P.O. Box#62, 6-10-1
Roppongi
Minatoku
Tokyo, Japan

Shanghai Office:

31 Floor
No. 100, Century Ave.
Pudong New Area
Shanghai, PRC

24 July 2020

To the Shareholders

Dear Sir/Madam,

**PROPOSED FINAL DIVIDEND,
PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF
ASSOCIATION**

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 10 September 2020.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 16.18 of the Articles of Association, Mr. Ito Yasuki, Mr. Murai Yuji and Mr. Wang Jianguo shall retire by rotation at the Annual General Meeting. All of the retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors including the aforesaid independent non-executive Director who is due to retire at the Annual General Meeting. The Company considers that the retiring independent non-executive Director is independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

Biographical details of the retiring Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES

At the annual general meeting of the Company held on 12 September 2019, general mandates were granted to the Directors to repurchase Shares and to issue Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares and issue additional Shares if and when appropriate, the following ordinary resolutions will be proposed at the Annual General Meeting to approve:

- (a) the granting of the Repurchase Mandate to the Directors to exercise all powers of the Company to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 28 to 32 of this circular (i.e. a total of 60,564,250 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting);
- (b) the granting of the Issue Mandate to the Directors to issue, allot and deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 7 of the notice of the Annual General Meeting as set out on pages 28 to 32 of this circular (i.e. a total of 121,128,500 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting); and

LETTER FROM THE BOARD

- (c) the extension of the Issue Mandate by adding thereto the number of Shares to be repurchased by the Company pursuant to the Repurchase Mandate.

With reference to the Repurchase Mandate and the Issue Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to propose the granting of the Repurchase Mandate is set out in Appendix II to this circular.

4. PROPOSED PAYMENT OF FINAL DIVIDEND

The Board proposes the declaration and payment of a final dividend of JPY1.50 per share for the year ended 31 March 2020. As at the Latest Practicable Date, the Company has 605,642,500 issued shares. Based on the number of issued shares as at the Latest Practicable Date, the final dividend, if declared and paid, will amount to an aggregate amount of approximately JPY908.5 million.

The proposed 2019/2020 final dividend is in line with the Company's dividend policy to declare a dividend representing in aggregate at no less than 50% of profits attributable to owners of the Company on an annual basis, subject the Articles of Association and all applicable laws and regulations and various factors including the results of operations, cash flow, capital requirements and future business plans and prospects.

The proposed 2019/2020 final dividend is expected to be distributed to Shareholders on 5 October 2020. The 2019/2020 Final Dividend will be declared in Japanese Yen and paid in Hong Kong dollars, the exchange rate of which will be calculated based on the rate of exchange as quoted to the Company by The Hongkong and Shanghai Banking Corporation Limited at its middle rate of exchange as at the record date for determining such dividend entitlement.

5. PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

To keep up with technological developments, the Board proposes to amend the existing Memorandum and Articles of Association to allow general meetings to be held as an electronic meeting (also referred to as a virtual general meeting) or as a hybrid meeting where Shareholders may participate by electronic means in addition to as a physical meeting where Shareholders attend in person.

LETTER FROM THE BOARD

In addition, the Board proposes to amend the Memorandum and Articles of Association to explicitly set out the powers of the Board and the chair of the meeting in relation to the conduct of meetings, including making arrangements for attendance at general meetings and ensuring the security and orderly conduct of meetings, adjourning general meetings, changing the venue or electronic platforms of meetings, and dealing with unruly behaviour and other disruption at general meetings.

The Board also proposes certain minor housekeeping amendments to the Memorandum and Articles of Association for the purpose of clarifying existing practices and making consequential amendments in line with the Proposed Amendments.

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

The legal advisors to the Company have confirmed that the Proposed Amendments comply with the requirements of the Listing Rules and do not violate Cayman Islands law.

The Proposed Amendments are prepared in the English language. The Chinese translation of the Memorandum and Articles of Association is for reference only. In case there are any inconsistencies between the English version and the Chinese version, the English version shall prevail.

In light of the Stock Exchange's encouragement of use of technology for general meetings to maximise shareholder participation and considering the geographical spread of our Shareholders, notwithstanding that the Proposed Amendments in relation to hosting of an electronic meeting are unusual for a Hong Kong company listed on the Stock Exchange, the Board considers that such amendments are in the best interests of the Company and the Shareholders. Other than the Proposed Amendments in relation to hosting of an electronic meeting, the Board confirms that there is nothing unusual about the other proposed amendments for a company listed in Hong Kong.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 28 to 32 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.honma.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions stated thereon and delivered, together with the power of attorney or other authority (if any) under which it is

LETTER FROM THE BOARD

signed, or a notarially certified copy of such power or authority at the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Accordingly, the form of proxy must be delivered to the Company's Hong Kong share registrar no later than 10:00 a.m. on Tuesday, 8 September 2020 (Hong Kong time). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish. In such event, the form of proxy shall be deemed to be revoked.

7. RECOMMENDATION

The Board considers that the proposed final dividend, proposed re-election of retiring Directors, granting of the Repurchase Mandate and the Issue Mandate and amendments to the Memorandum and Articles of Association are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Honma Golf Limited
本間高爾夫有限公司
LIU Jianguo
Chairman of the Board

The following are details of the Directors who will retire and, being eligible, offer themselves for re-election at the Annual General Meeting.

(1) MR. ITO YASUKI

Mr. Ito Yasuki (伊藤康樹), aged 59, was appointed as an executive Director, Chief Marketing Officer and President of Japan Operations of the Company on 14 June 2016. He is mainly responsible for overseeing the marketing strategies and operations of the Group and overseeing its business in Japan. Mr. Ito has also served as president and representative director of Honma Japan since 21 December 2015, and as the director of the Marketing Division and the Third Overseas Sales Division since 1 February 2016. Mr. Ito joined the Group on 1 April 1985 and has served the Group for more than 35 years, during which he has gained extensive experience in the marketing of golf products. In February 1990, he joined as the senior staff of Ogikubo Office (荻窪営業所), and in April 1997, he became the manager of the Second Section of the First Department of the Sales Division. After that, he served in various positions in the Group, including as the deputy director of the Fifth Department of the Sales Division from May 2002 to March 2006, as the director of various sales and planning departments from April 2007 to April 2011, as the operating director of the Marketing Division from May 2011 to March 2014, and as the managing operating director of the Marketing Division from April 2014 to December 2015. Mr. Ito obtained a bachelor's degree in business from Seikei University, Japan, in March 1985.

Mr. Ito does not have any relationship with any Directors, senior management, substantial shareholder(s) or controlling shareholder(s) of the Company. He does not at present nor did he in the last three years hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Ito directly held 108,856 Shares. Mr. Ito was also interested in 228,696 RSUs granted to him under the RSU Scheme entitling him to receive 228,696 Shares subject to vesting.

Mr. Ito has entered into a service contract with the Company for a fixed term of three years commencing from 18 September 2019. He is subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Ito, pursuant to the service contract, is entitled to a basic salary of JPY11,999,952 per annum and a contractual annual performance bonus of JPY7,999,768 per annum, as determined by the Board with reference to the recommendation from the remuneration committee of the Company having taken into account salaries paid by comparable companies, time commitment and responsibilities of the Director, the Company's Remuneration Policy and performance of the Group.

There is no information which is discloseable nor is/was Mr. Ito involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters for his re-election that need to be brought to the attention of the Shareholders.

(2) MR. MURAI YUJI

Mr. Murai Yuji (邨井勇二), aged 60, was appointed as an executive Director and Chief Sales Officer of the Company on 14 June 2016. He is mainly responsible for overseeing the sales strategies and operations of the Group. Since 1 February 2016, Mr. Murai has also been the managing operating director of the Domestic Sales Division, as well as the managing operating director and head of the First Overseas Sales Division. Mr. Murai joined the Group in April 1983 and has served the Group for more than 37 years, during which he has gained extensive experience in the sales operations of golf products. Mr. Murai served as the deputy manager of various sales departments from April 1992 to March 1997. He was deputy director of the First Department of the Sales Division as well as deputy director of the Construction Department from April 1997 to March 2001, and deputy director and director of the Overseas Sales Department of the Sales Division from April 2001 to March 2007. From April 2007 to March 2009, Mr. Murai served as operating director of the Overseas Sales Division. Thereafter, he served as the operating director of the Domestic Sales Division from April 2009 to April 2011, as the operating director of the Sales Division from May 2011 to March 2012, and back to the position of operating director of the Domestic Sales Division from April 2012 to March 2014. Mr. Murai then served as the managing operating director of the Domestic Sales Division from April 2014 to January 2016. Mr. Murai obtained a bachelor's degree in political economics from Nihon University, Japan, in March 1983.

Mr. Murai does not have any relationship with any Directors, senior management, substantial shareholder(s) or controlling shareholder(s) of the Company. He does not at present nor did he in the last three years hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Murai directly held 183,468 Shares. Mr. Murai was also interested in 182,988 RSUs granted to him under the RSU Scheme entitling him to receive 182,988 Shares subject to vesting.

Mr. Murai has entered into a service contract with the Company for a fixed term of three years commencing from 18 September 2019. He is subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Murai, pursuant to the service contract, is entitled to a basic salary of JPY10,999,992 per annum and a contractual annual performance bonus of JPY4,714,282 per annum, as determined by the Board with reference to the recommendation from the remuneration committee of the Company having taken into account salaries paid by comparable companies, time commitment and responsibilities of the Director, the Company's Remuneration Policy and performance of the Group.

There is no information which is discloseable nor is/was Mr. Murai involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters for his re-election that need to be brought to the attention of the Shareholders.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 605,642,500 Shares.

Subject to the passing of the ordinary resolution set out in item 6 of the notice of the Annual General Meeting in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 605,642,500 Shares, the Directors would be authorised under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a total of 60,564,250 Shares, representing 10% of the total number of Shares in issue as at the date of passing of the relevant resolution for granting the Repurchase Mandate.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole.

Shares repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for share repurchase in accordance with its memorandum and articles of association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 March 2020) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have been traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
2019		
July	7.59	6.66
August	6.99	5.76
September	7.20	6.30
October	7.05	5.92
November	7.32	6.50
December	6.86	5.48
2020		
January	5.90	5.20
February	5.24	3.95
March	4.70	3.90
April	4.20	3.72
May	3.94	3.00
June	3.55	3.03
July (<i>up to and including the Latest Practicable Date</i>)	3.72	3.11

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to do so in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If, as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company is increased, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

To the best knowledge of the Company, as at the Latest Practicable Date, Chairman Liu and Kouunn Holdings, the controlling shareholders of the Company, together control the exercise of voting rights of 233,560,525 Shares representing approximately 38.56% of the total issued share capital of the Company and Charoen Pokphand Group Company Limited, substantial shareholder of the Company, controls the exercise of voting rights of 181,296,500 Shares representing approximately 29.93% of the total issued share capital of the Company. In the event that the Directors exercised the proposed Repurchase Mandate in full, the aggregate shareholding of Chairman Liu and Kouunn Holdings, and the shareholding of Charoen Pokphand Group Company Limited would be increased to approximately 42.85% and 33.26% of the issued share capital of the Company respectively. The Directors consider that such increase in shareholding would give rise to an obligation on them to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer under the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company has repurchased a total of 3,407,500 Shares on the Stock Exchange and the details are set out below:

Date of Repurchase	No. of Shares	Purchase Price	
		Highest HK\$	Lowest HK\$
18/02/2020	273,000	4.01	3.96
19/02/2020	291,000	4.32	4.13
20/02/2020	504,000	4.45	4.28
21/02/2020	294,000	4.43	4.38
24/02/2020	302,000	4.58	4.51
25/02/2020	302,000	4.45	4.36
26/02/2020	320,000	4.55	4.34
27/02/2020	330,000	4.53	4.46
28/02/2020	339,000	4.51	4.47
09/03/2020	111,000	4.42	4.39
10/03/2020	140,000	4.62	4.47
11/03/2020	77,500	4.57	4.54
12/03/2020	124,000	4.54	4.50
Total	3,407,500		

The repurchases were effected for the benefit of the Company and the Shareholders as a whole by enhancing the value of net assets per share and earnings per share of the Company.

Details of the Proposed Amendments are set out as follows:

1. ARTICLE 2.2

By deleting the definition of “electronic means” and inserting the following definitions in Article 2.2 alphabetically:

“electronic communication”	a communication sent by electronic transmission in any form through any medium, in each case, as may be selected by the Company.
“electronic platform”	includes, without limitation, website addresses, webinars, and conference call systems.
“electronic meeting”	a general meeting at which the Members and/or their proxies attend solely by electronic means and participate by means of electronic facilities or electronic platforms.
“hybrid meeting”	a general meeting at which the Members and/or their proxies attend by (i) physical attendance at the Principal Meeting Place and where applicable, one or more Meeting Locations, and (ii) attendance by electronic means and participation by means of electronic facilities or electronic platforms.
“Meeting Location”	has the meaning given to it in Article 13.4(A).
“physical meeting”	a general meeting at which the Members and/or their proxies attend by physical attendance at the Principal Meeting Place and where applicable, one or more Meeting Locations.
“Principal Meeting Place”	shall have the meaning given to it in Article 12.5.
“Statutes”	the Law and every other law of the Legislature of the Cayman Islands for the time being in force applying to or affecting the Company, its memorandum of association and/or these Articles.

2. ARTICLE 2.5

By deleting the existing Article 2.5 in its entirety and replacing therewith the following new Article 2.5

“2.5 “Writing” or “printing” shall include writing, printing, lithograph, photograph, type-writing and other modes of representing or reproducing words or figures in a legible and non-transitory form or, to the extent not prohibited by or inconsistent with the Statutes and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words partly in one visible form and partly in another visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member’s election comply with all applicable Statutes, rules and regulations”

3. ARTICLE 2.6 TO ARTICLE 2.10

By inserting the following new Article 2.6 to Article 2.10 immediately after Article 2.5 and renumbering the existing Article 2.6 as Article 2.11:

“2.6 references to a document (including, but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;

2.7 references to persons attending meetings by electronic means means attendance at hybrid meetings or electronic meetings via the electronic facilities or electronic platform(s) stated in the notice of such general meeting;

2.8 a reference to a meeting shall mean a meeting convened and held in any manner permitted by these Articles, and persons attending and participating by means of electronic facilities or electronic platforms shall be deemed to be present at that meeting for all purposes of the Statutes, the Listing Rules or these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly;

2.9 references to a person’s participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly appointed representative) to speak or communicate, vote (by hand and/or on a poll, as the case may be), be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes, the

Rules of any Designated Stock Exchange or these Articles to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;

- 2.10 nothing in these Articles precludes the holding and conducting of a general meeting in such a way that persons who are not present together at the same place or places may by electronic means attend and participate in it; and”

4. ARTICLES 4.8, 6.5, 7.9, 25.1(D) AND 30.4

By replacing “electronic means” with “electronic communication”, to be consistent with the deletion of the definition of electronic means from Article 2.2 as stated above

5. ARTICLE 12.1

By deleting “and shall be held at such time and place as the Board shall appoint” from Article 12.1.

6. ARTICLE 12.2

By deleting the existing Article 12.2 in its entirety and replacing it with the following new Article 12.2:

“12.2 Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting. All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held (a) as a physical meeting in any part of the world, and at one or more locations as provided in Article 13.4A, or (b) as a hybrid meeting, or (c) as an electronic meeting, as may be determined by the Board.”

7. ARTICLE 12.4

By deleting “and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. 12.6 The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.” And by inserting the following new article 12.5 to 12.7, and renumbering the existing Article 12.5, 12.6, 12.7 and 12.8 to Article 12.8, 12.9, 12.10 and 12.11, respectively:

“12.5. The notice shall specify:

- (a) the time and date of the meeting;

- (b) in the case of a physical meeting or a hybrid meeting, the place of the meeting and where there is more than one meeting location as determined by the Board pursuant to Article 13.4A, the principal place of the meeting (the “**Principal Meeting Place**”);
 - (c) if the general meeting is to be a hybrid meeting, the notice shall include a statement to that effect and with details of the facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting;
 - (d) if the meeting is to be an electronic meeting, the notice shall include a statement to that effect and with details of the electronic platform for the meeting (which electronic platform may vary from time to time and from meeting to meeting as the Board, in its sole discretion, may see fit) or where such details will be made available by the Company prior to the meeting; and
 - (e) particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business.
- 12.6 The Directors shall have the power to provide in every notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice including, without limitation, where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force on the day of the general meeting.”
- 12.7 The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.”

8. ARTICLE 13.1

By replacing the words “in person” immediately after “For all purposes the quorum for a general meeting shall be two members present” with “(including attendance by electronic means)” in Article 13.1.

9. ARTICLE 13.4

By deleting the existing Article 13.4 in its entirety and replacing it with the following new Article 13.4:

“13.4 Subject to Article 13.4C, the chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or indefinitely) and from place to place(s), and change the form of the meeting (physical meeting, hybrid meeting or electronic meeting) as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days’ notice of the adjourned meeting shall be given specifying the details set out in Article 12.5 but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.”

10. ARTICLE 13.4A TO ARTICLE 13.4K

By inserting the following new articles as Article 13.4A to Article 13.4K immediately after Article 13.4:

“13.4A The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facility or facilities at such location or locations (“Meeting Location(s)”) determined by the Board at its absolute discretion. Any member or (in the case of a Member being a corporation) its duly authorised representative or any proxy attending and participating in such way or any member participating in a hybrid meeting by electronic means is deemed to be present at and shall be counted in the quorum of the Principal Meeting Place. The following provisions shall apply to such arrangement and to a hybrid meeting:

- (a) the Meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;
- (b) members present in person or (in the case of a member being a corporation) by its duly authorised representative or by proxy at the Meeting Location(s) and/or members participating in a hybrid meeting by electronic means shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all Meeting Locations and members participating in a hybrid meeting by electronic means are able to participate in the business for which meeting has been convened;

- (c) where members attend a meeting by being present at one of the Meeting Locations and/or where members participating in a hybrid meeting by electronic means, a failure (for any reason) of communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or, in the case of a hybrid meeting, the inability of one or more members or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and
- (d) if any of the Meeting Locations is outside Hong Kong and in the case of a hybrid meeting, the provisions of these Articles concerning the service and giving of notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place.

13.4B The Board and, at any general meeting, the chairman of the meeting may from time to time make arrangements for managing attendance at the Principal Meeting Place, any Meeting Location(s) and/or participation in a hybrid meeting by electronic means (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it shall in its absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a member who, pursuant to such arrangements, is not entitled to attend, in person or (in the case of a member being a corporation) by its duly authorised representative, or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations; and the entitlement of any member so to attend the meeting or adjourned meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.

13.4C If it appears to the chairman of the general meeting that:

- (a) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Article 13.4A(a) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of the meeting; or
- (b) in the case of a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or

- (c) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (d) there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

then, without prejudice to any other power which the chairman of the meeting may have under these Articles or at common law, the chairman may, at his/her absolute discretion, without the consent of the meeting, and before or after the meeting has started and irrespective of whether a quorum is present, interrupt or adjourn the meeting (including adjournment) for indefinite period. All business conducted at the meeting up to the time of such adjournment shall be valid.

13.4D The Board and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction the Board or the chairman of the meeting, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place and determining the number and frequency of and the time allowed for questions that may be raised at a meeting. Members shall also comply with all requirements or restrictions imposed by the owner of the premises at which the meeting is held. Any decision made under this Article shall be final and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting.

13.4E If, after the sending of Notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time and place and/or by means of the electronic facilities specified in the notice calling the meeting, they may change or postpone the meeting to another date, time and/or place and/or change the electronic facility or facilities and/or change the form of the meeting from a physical meeting to a hybrid meeting (or vice versa) without approval from the members. This Article shall be subject to the following:

- (a) when a meeting is so postponed, the Company shall endeavour to post a notice of such postponement on the Company's website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of such meeting);

- (b) when a meeting is postponed in accordance with this Article, the Board shall fix the date, time and place, including any electronic facility (if applicable), for the postponed meeting and seven clear days' notice at the least of the postponed meeting shall be given by one of the means specified in Article 30.1 and shall specify the date, time and place and electronic facility (if applicable) of the postponed meeting, and the date and time by which proxies shall be submitted in order to be valid at such postponed meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the postponed meeting unless revoked or replaced by a new proxy); and
- (c) notice of the business to be transacted at the postponed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed meeting is the same as that set out in the original notice of general meeting circulated to the members.

13.4F All persons seeking to attend and participate in a hybrid meeting or an electronic meeting shall be responsible for maintaining adequate facilities to enable them to do so. Subject to Articles 13.4C and 13.4I, any inability of a person or persons to attend or participate in a general meeting by way of electronic facility or facilities shall not invalidate the proceedings of that meeting.

13.4G Without prejudice to other provisions in Article 13.4, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

13.4H Without prejudice to Articles 13.4A to 13.4G, and subject to the Companies Law and the Listing Rules, the Board may resolve to enable persons entitled to attend an electronic meeting to do so by simultaneous attendance by electronic means with no member necessarily in physical attendance at the electronic meeting. Each member or (in the case of a member being a corporation) its duly authorised representative or its proxy shall be counted in the quorum for, and entitled to vote at, the electronic meeting in question, and that general meeting shall be duly constituted and its proceedings valid if the chairman of the electronic meeting is satisfied that adequate facilities are available throughout the electronic meeting to ensure that members attending the electronic meeting who are not present together at the same place may, by electronic means, attend and speak or communicate and vote at it.

13.4I If it appears to the chairman of the electronic meeting that:

- (a) the electronic platform, facilities or security at the electronic meeting have become inadequate; or

- (b) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (c) there is no quorum; or
- (d) there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

then the chairman may, without the consent of the meeting, interrupt or adjourn the meeting. All business conducted at the meeting up to the time of such adjournment shall be valid.

13.4J If, after the sending of notice of an electronic meeting but before the electronic meeting is held, or after the adjournment of an electronic meeting but before the adjourned electronic meeting is held (whether or not notice of the adjourned electronic meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or unsafe for any reason to hold the electronic meeting on the date or at the time and/or by means of the electronic platform specified in the notice calling the meeting, they may change or postpone the meeting to another date, time and/or electronic platform, and the provisions of Article 13.4E shall apply mutatis mutandis to any such electronic meeting.

13.4K The board and, at any electronic meeting, the chairman may make any arrangement and impose any requirement as restriction as is necessary to ensure the identification of those taking part and the security of the electronic platform and all electronic communications associated therewith, and the provisions of Articles 13.4D and 13.4F (as appropriate) shall apply mutatis mutandis to any such electronic meeting.”

11. ARTICLE 14.1

By inserting the sentence “Votes may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine” at the end of Article 14.1.

12. ARTICLE 14.8

By inserting the following new Article 14.8 immediately after the existing Article 14.7 and renumbering the existing Article 14.8 to 14.15 as Article 14.9 to 14.16, respectively:

“14.8 All resolutions put to the members at electronic meetings shall be voted on by a poll, which poll votes may be cast by such electronic means as the Board may, in its sole discretion, deem appropriate for the purposes of the electronic meetings.”

13. ARTICLE 14.11

By inserting the following sentences at the beginning of the existing Article 14.11:

“The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Article is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address in accordance with this Article or if no electronic address is so designated by the Company for the receipt of such document or information.”

By inserting the sentence “, or if the Company has provided an electronic address in accordance with the preceding paragraph, shall be received at the electronic address specified,” immediately after “The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith)” of Article 14.11.

14. ARTICLE 14.13

By inserting the sentences “The Board or at any meeting, the chairman of the meeting, may decide, either generally or in any particular case, to treat a proxy appointment as valid notwithstanding that the appointment or any of the information required under this Article has not been received in accordance with the requirements of this Article. Subject to aforesaid, if the proxy appointment and any of the information required under this Article is not received in the manner set out in this Article, the appointee shall not be entitled to vote in respect of the shares in question.” at the end of Article 14.13.

15. ARTICLE 20.13

By deleting the sentence in Article 20.13 “and may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.” immediately after the sentence “Unless required otherwise by the Listing Rules, a resolution in writing signed by each and every one of the Directors (or their respective alternates pursuant to Article 16.9) shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held” and replacing it with the sentences “A notification of consent to such resolution given by a Director in writing to the Board by any means (including by means of electronic communication) shall be deemed to be his/her signature to such resolution in writing for the purpose of this Article. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid.”

16. ARTICLE 30.1

By deleting the existing Article 30.1 in its entirety and replacing it with the following new Article 30.1:

- “30.1(1) Any notice or document, whether or not, to be given or issued under these Articles from the Company shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such notice and document may be given or issued by the following means:
- (a) by serving it personally on the relevant person;
 - (b) by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose;
 - (c) by delivering or leaving it at such address as aforesaid;
 - (d) by placing an advertisement in appropriate newspapers in accordance with the requirements of the Exchange;
 - (e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Article 158(5), subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person;

- (f) by publishing on the Company's website to which the relevant person may have access, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or for giving notification to any such person stating that the notice, document or publication is available on the Company's computer network website (a "**notice of availability**"); or
 - (g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.
- (2) The notice of availability may be given by any of the means set out above other than by posting it on a website.
 - (3) In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.
 - (4) Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address (including electronic address) being entered in the register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.
 - (5) Every member of the Company or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Articles may register with the Company in such manner as stipulated by the Company an electronic address to which notices can be served upon him."

17. ARTICLE 30.5

By deleting the existing Articles 30.5, 30.6, 30.7 and 30.8 in their entirety and replacing them with the following new Article 30.5:

"30.5 Any Notice or other document:

- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the

Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;

- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website or the website of the Exchange, is deemed given by the Company to a member on the day following that on which a notice of availability is deemed served on the member;
- (c) if published on the Company's website, shall be deemed to have been served on the day on which the notice, document or publication first so appears on the Company's website to which the relevant person may have access or the day on which the notice of availability is deemed to have been served or delivered to such person under these Articles, whichever is later;
- (d) if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and
- (e) if published as an advertisement in a newspaper or other publication permitted under these Articles, shall be deemed to have been served on the day on which the advertisement first so appears."

If the serial numbering of the chapters and articles of the Articles of Association is changed due to the addition, deletion or re-arrangement of certain articles made in these Proposed Amendments, the serial numbering of the chapters and articles of the Articles of Association as so amended shall be changed accordingly, including cross-references.

NOTICE OF ANNUAL GENERAL MEETING



Honma Golf Limited 本間高爾夫有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6858)

NOTICE OF 2020 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting (the “**Meeting**”) of Honma Golf Limited 本間高爾夫有限公司 (the “**Company**”) will be held at 31F, SWFC, 100 Century Avenue, Pudong New District, Shanghai, PRC on Thursday, 10 September 2020 at 10:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and auditors of the Company (the “**Auditors**”) for the year ended 31 March 2020.
2. To declare a final dividend of JPY1.50 per share for the year ended 31 March 2020.
3. To re-elect the following retiring Directors, each as a separate resolution:
 - (a) To re-elect Mr. Ito Yasuki as Director.
 - (b) To re-elect Mr. Murai Yuji as Director.
 - (c) To re-elect Mr. Wang Jianguo as Director.
4. To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
5. To re-appoint Ernst & Young as Auditors and to authorise the Board to fix their remuneration.
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally granted to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

- 7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (c) below, a general mandate be and is hereby generally and unconditionally granted to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to issue, allot and deal with additional shares of the Company (“**Shares**”) and to make or grant offers, agreements or options, which would or might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorise the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate number of shares issued, allotted and dealt with or to be issued, allotted or dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

- (i) a Rights Issue (as defined below); or
- (ii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; or
- (iii) the exercise of options under the share option scheme of the Company; or
- (iv) any specific authority granted or to be granted by the shareholders of the Company in general meeting,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”

8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT conditional upon the passing of the resolutions 6 and 7 as set out in the notice convening this meeting, the general mandate granted to the Directors pursuant to resolution 7 to exercise the powers of the Company to issue, allot and deal with additional shares of the Company be and is hereby extended by the addition thereto the aggregate number of shares of the Company to be repurchased by the Company under the authority granted pursuant to resolution 6, provided that such number in aggregate shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

9. To consider and, if thought fit, pass the following resolution as a special resolution:

“THAT the new memorandum and articles of association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be and are hereby approved and adopted as the amended and restated memorandum and articles of association of the Company in substitution for, and to the exclusion of, the existing memorandum and articles of association of the Company.”

For and on behalf of the Board

Honma Golf Limited

本間高爾夫有限公司

LIU Jianguo

Chairman of the Board

24 July 2020

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the Meeting will be taken by poll except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and on a poll, vote instead of him and a proxy so appointed shall have the same right as the member to speak at the Meeting. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. On a poll, every member present in person or by proxy shall have one vote for each share registered in his name in the register of members of the Company. On a show of hands, every member present in person shall have one vote.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited at the Company’s Hong Kong share registrar, 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 of the Meeting or any adjournment thereof. Accordingly, the form of proxy must be delivered to the Company’s Hong Kong share registrar no later than 10:00 a.m. on Tuesday, 8 September 2020 (Hong Kong time).
4. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and, in such event, the form of proxy shall be deemed to be revoked.
5. For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Monday, 7 September 2020 to Thursday, 10 September 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Meeting, investors are required to lodge all transfer documents accompanied by the relevant share certificates with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 4 September 2020 (Hong Kong time).
6. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the Meeting), the register of members of the Company will be closed on Wednesday, 16 September 2020 during which day no transfer of shares will be registered. In order to be qualified for the proposed final dividend, investors are required to lodge all transfer documents accompanied by the relevant share certificates with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 15 September 2020 (Hong Kong time).

As at the date of this notice, the executive directors of the Company are Mr. LIU Jianguo (Chairman), Mr. ITO Yasuki, Mr. MURAI Yuji and Mr. ZUO Jun; the non-executive directors of the Company are Mr. YANG Xiaoping and Mr. Ho Ping-hsien Robert; and the independent non-executive directors of the Company are Mr. LU Pochin Christopher, Mr. WANG Jianguo and Mr. XU Hui.