
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Hengan International Group Company 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, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

A registered shareholder whose name is entered in the register of members of Hengan International Group Company Limited as the holder of share(s) for another beneficial shareholder should provide such beneficial shareholder with the information contained herein in compliance with applicable laws, regulations and other relevant requirements.

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恒安國際集團有限公司*
HENGAN INTERNATIONAL GROUP CO.,LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1044)

Websites: <http://www.hengan.com>

<http://www.irasia.com/listcolhklhengan>

**(1) GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES**

**(2) RE-ELECTION OF RETIRING DIRECTORS AND
ELECTION OF DIRECTOR**

**(3) PROPOSED AMENDMENTS TO MEMORANDUM AND ARTICLES
OF ASSOCIATION AND ADOPTION OF
NEW MEMORANDUM AND ARTICLES OF ASSOCIATION
AND**

(4) NOTICE OF AGM

A notice convening the AGM of Hengan International Group Company Limited to be held by way of hybrid meeting at 22/F United Centre, 95 Queensway, Hong Kong on Friday, 20 May 2022 at 10:00 a.m., is set out on pages 37 to 41 of this circular.

A form of proxy for the AGM is enclosed with this circular. As set out in the section headed “*Special Arrangements for the AGM*” of this circular, the AGM will be a hybrid meeting. **The Shareholders are requested to attend the AGM by means of electronic facilities via Tencent Meeting. Any shareholder who does attempt to attend the AGM in person will be denied entry to the venue of the AGM.** All registered shareholders will be able to join the AGM via the Tencent Meeting. As Shareholders will not be permitted to attend the AGM in person, they will be able to exercise their voting rights by appointing the Chairman of the AGM as their proxy to attend and vote on their behalf.

Whether or not you intend to attend the AGM via Tencent Meeting, you are requested to complete the form of proxy and return it to the Company’s branch share registrar in Hong Kong, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the AGM (i.e. at or before 10:00 a.m. on 18 May 2022 (Hong Kong time)) or any adjournment thereof (as the case may be). The completion and return of a form of proxy will not preclude you from attending at the AGM via Tencent Meeting.

To the extent that there are any inconsistencies between the English version and the Chinese version of this circular, the English version shall prevail.

* *for identification purposes only*

Hong Kong, 13 April 2022

CONTENTS

	<i>Page</i>
Special Arrangements for the AGM	1
Definitions	3
Letter from the Board	5
Appendix I — Explanatory Statement	12
Appendix II — Details of Retiring Directors Proposed for Re-election and Election of Director	15
Appendix III — Explanatory Statement on Proposed Amendments to the Memorandum and Articles of Association	20
Notice of Annual General Meeting	37

SPECIAL ARRANGEMENTS FOR THE AGM

Due to the recent development of the COVID-19 pandemic and in view of the latest Prevention and Control of Disease (Prohibition on Gathering) Regulation (Cap. 599G, laws of Hong Kong) and Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F, laws of Hong Kong) (together, the “**Regulations**”), the Board hereby announces that the AGM will be held by way of a hybrid meeting. The following special arrangements for the AGM will be put in place:

- (1) **The Shareholders are requested to attend the AGM by means of electronic facilities via Tencent Meeting. Any shareholder who does attempt to attend the AGM in person will be denied entry to the venue of the AGM and will be able to join the AGM via the Tencent Meeting.**
- (2) Shareholders will still be able to vote by doing so in advance of the AGM by proxy. If a Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend and vote on his/her/its behalf at the AGM. If a Shareholder appoints a person who is not the chairman of the AGM as his/her/its proxy, that person will not be permitted entry to the AGM venue and will not be able to exercise your vote.
- (3) In appointing the Chairman of the AGM as proxy, a Shareholder (whether individual or corporate) must give specific instructions as to voting in the proxy form, and deposit the duly completed and signed proxy form together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority, at the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 10:00 a.m. on Wednesday, 18 May 2022 (being not less than forty-eight (48) hours before the AGM), failing which the appointment will be treated as invalid.
- (4) The AGM will be held by way of electronic means and a Shareholder will be able to observe the proceedings of the AGM through a Tencent live webcast of the AGM. A Shareholder who wishes to join the AGM via Tencent meeting (the “**AGM Tencent Meeting**”) must register by 10:00 a.m. on Wednesday, 18 May 2022 with Tricor Abacus Limited at “is-enquiries@hk.tricorglobal.com” or telephone hotline (852) 2980 1333.
- (5) Following authentication of his/her/its status as Shareholder, authenticated Shareholders will receive an email with instructions illustrating how to join the AGM Tencent Meeting by 5:00 p.m. on Thursday, 19 May 2022.
- (6) A Shareholder who registers for the AGM Tencent Meeting may submit questions related to the resolutions to be tabled for approval at the AGM. Questions can be submitted by 10:00 a.m. on Wednesday, 18 May 2022 by email to Tricor Abacus Limited at “is-enquiries@hk.tricorglobal.com” or telephone hotline (852) 2980 1333. Shareholders can also raise questions during the AGM Tencent Meeting. The questions raised by Shareholders at the AGM Tencent Meeting and those submitted beforehand will be addressed at the AGM Tencent Meeting as far as possible.

SPECIAL ARRANGEMENTS FOR THE AGM

Non-registered shareholders who hold shares in CCASS through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited (“HKSCC”) may also exercise their voting rights by appointing the chairman of the meeting. In addition, they can watch and listen to the AGM online and ask questions. In this regard, they should consult their bank, broker or custodian (as the case may be) directly to make the necessary arrangements.

- (7) **Viewing the live streaming webcast of the AGM via Tencent Meeting will not be counted towards the quorum nor will they be able to cast their votes online.**

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to adopt further changes to the AGM arrangements at short notice. Shareholders are advised to check the websites of the Company (www.hengan.com) and HKEX (www.hkexnews.hk) for the latest announcement and information relating to the AGM.

DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at 22/F United Centre, 95 Queensway, Hong Kong on 20 May 2022 at 10:00 a.m.;
“Articles of Association”	the Articles of Association of the Company;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors of the Company or a duly authorised committee of the board of Directors from time to time;
“Business Day(s)”	a day on which the Stock Exchange is open for business of dealing in securities;
“Chairman”	the Chairman presiding at any meeting of members or of the Board;
“Communication Facilities”	video, videoconferencing, internet or online conferencing applications, telephone or tele-conferencing and/or any other video-communication, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and being heard by each other;
“Companies Act”	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised from time to time) of the Cayman Islands;
“Company”	Hengan International Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange;
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hui Family Trust”	the family trust of which Mr. Hui Lin Chit is settlor and beneficiary;
“Latest Practicable Date”	6 April 2022, being the latest practicable date for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

DEFINITIONS

“Memorandum and Articles of Association”	the Memorandum of Association and Articles of Association;
“Memorandum of Association”	the Memorandum of Association of the Company;
“Persons”	any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having separate legal personality) or any of them as the context so requires;
“Present”	such Person’s presence at a general meeting of members, which may be satisfied by means of such Person or, if a corporation or other non-natural Person, its duly authorised representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with the Articles of Association), being: (a) physically present at the meeting; or (b) in the case of any meeting at which Communication Facilities are permitted in accordance with the Articles of Association, including any Virtual Meeting, connected by means of the use of such Communication Facilities;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	Share(s) of HK\$0.10 each in the capital of the Company or, if there has been any subsequent sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company, the shares in the ordinary share capital of the Company resulting from such sub-division, reduction, consolidation, reclassification or reconstruction;
“Shareholder(s)”	holder(s) of issued Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholders”	has the meaning ascribed to it under the Listing Rules;
“Sze’s Family Trust”	the family trust of which Mr. Sze Man Bok is settlor and beneficiary;
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission as amended from time to time;
“Virtual Meeting”	any general meeting of the members at which the members (and any other permitted participants of such meeting, including, without limitation, the Chairman of such meeting and any Directors) are permitted to attend and participate solely by means of such Communication Facilities;
“HK\$”	Hong Kong dollars; and
“%”	per cent.

LETTER FROM THE BOARD



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Websites: <http://www.hengan.com>
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Executive Directors:

Mr. Sze Man Bok (*Chairman*)
Mr. Hui Lin Chit (*Deputy Chairman*)
Mr. Hung Ching Shan
Mr. Hui Ching Lau (*Chief Executive Officer*)
Mr. Xu Shui Shen
Mr. Xu Da Zuo
Mr. Xu Chun Man
Mr. Sze Wong Kim
Mr. Hui Ching Chi
Mr. Li Wai Leung

Independent Non-Executive Directors:

Mr. Chan Henry
Ms. Ada Ying Kay Wong, *JP*
Mr. Ho Kwai Ching Mark
Mr. Zhou Fang Sheng
Mr. Theil Paul Marin

Registered Office:

P.O. Box 309,
Ugland House,
Grand Cayman,
KY1-1104,
Cayman Islands

Head Office:

Hengan Industrial City,
Anhai Town, Jinjiang City,
Fujian Province,
PRC

Place of Business in Hong Kong:

Unit 2101D, 21st Floor,
Admiralty Centre, Tower 1,
18 Harcourt Road,
Hong Kong

Hong Kong, 13 April 2022

To the Shareholders,

Dear Sir or Madam,

- (1) GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES**
- (2) RE-ELECTION OF RETIRING DIRECTORS AND
ELECTION OF DIRECTOR**
- (3) PROPOSED AMENDMENTS TO MEMORANDUM AND ARTICLES
OF ASSOCIATION AND ADOPTION OF
NEW MEMORANDUM AND ARTICLES OF ASSOCIATION
AND**
- (4) NOTICE OF AGM**

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LETTER FROM THE BOARD

1. INTRODUCTION

(a) General mandates to issue and repurchase Shares

By ordinary resolutions of the Shareholders of Company passed on 17 May 2021, general mandates were granted to the Directors (i) to repurchase, on the Stock Exchange, ordinary shares of HK\$0.10 each in the capital of the Company up to a maximum of 10% of the aggregate nominal amount of the share capital in issue of the Company; (ii) to allot, issue or otherwise deal with Shares up to a maximum of 20% of the total of the aggregate nominal amount of share capital in issue of the Company and the number of Shares repurchased (if any) pursuant to the aforesaid general mandate to repurchase Shares. These general mandates will expire at the conclusion of the AGM if they are not revoked or varied by an ordinary resolution of the Shareholders before the AGM. It is therefore proposed to seek your approval at the AGM to grant fresh general mandates to the Directors to exercise the above powers.

(b) Re-election of retiring Directors and Election of Director

Pursuant to Articles 99 and 116 of the Articles of Association and the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Li Wai Leung and Mr. Theil Paul Marin will retire from office at the AGM, and being eligible, will offer themselves for re-election at the AGM. Mr. Zhou Fang Sheng will also retire from the office of independent non-executive Director at the AGM but will not offer himself for re-election. It is therefore proposed to seek your approval at the AGM to re-elect the aforesaid Directors and election of Mr. Chen Chuang as new independent non-executive Director.

Please refer to the section headed “4. RE-ELECTION OF RETIRING DIRECTORS AND ELECTION OF DIRECTOR” for further details.

The purpose of this circular is to give you, amongst other things, further information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions proposed at the AGM.

2. GENERAL MANDATE TO REPURCHASE SHARES

Under the Companies Act and the Listing Rules, listed companies are allowed to repurchase their own issued securities. The Articles of Association also enable such securities repurchases to be made. The Directors consider that the power to repurchase Shares increases flexibility in the conduct of the Company’s affairs and is in the interests of its Shareholders.

At the AGM, an ordinary resolution will be proposed that the Directors be given a general mandate to exercise all powers of the Company to repurchase Shares subject to the Articles of Association, the applicable laws and relevant regulatory requirements. Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the mandate as set out in Resolution No. 11 of the notice of AGM on pages 37 to 41 of this circular will be such number of Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the AGM (the “**Share Repurchase Mandate**”). A resolution authorising the extension of the mandate as set out in Resolution No. 10 of the notice of AGM to the Directors to issue additional Shares by the number of Share repurchased (if any) under the repurchase mandate (as set out in Resolution No. 11) will be proposed as Resolution No. 12 at the AGM.

LETTER FROM THE BOARD

Appendix I to this circular contains the Explanatory Statement required under the Listing Rules that gives all the information reasonably necessary to enable Shareholders to make an informed decision in connection with their approval of the Share Repurchase Mandate.

3. GENERAL MANDATE TO ISSUE SHARES

An ordinary resolution will also be proposed at the AGM for the grant of a general mandate to the Directors to issue, allot or otherwise deal with additional Shares of the Company up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution (the “**Share Issuance Mandate**”).

The Share Issuance Mandate is valid from the date of the passing of the resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or
- (c) the revocation or variation of the authority given under the resolution by ordinary resolution of the Shareholders in general meeting.

As at the Latest Practicable Date, the number of Shares in issue was 1,162,120,917 shares. Accordingly, the exercise of the Share Issuance Mandate in full would enable the Company to issue, allot or otherwise deal with an additional 232,424,183 Shares.

4. RE-ELECTION OF RETIRING DIRECTORS AND ELECTION OF DIRECTOR

As at the Latest Practicable Date, the Board comprised Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Hung Ching Shan, Mr. Hui Ching Lau, Mr. Xu Shui Shen, Mr. Xu Da Zuo, Mr. Xu Chun Man, Mr. Sze Wong Kim, Mr. Hui Ching Chi and Mr. Li Wai Leung as executive Directors and Mr. Chan Henry, Mr. Theil Paul Marin, Ms. Ada Ying Kay Wong, Mr. Ho Kwai Ching Mark and Mr. Zhou Fang Sheng as independent non-executive Directors.

Pursuant to Articles 99 and 116 of the Articles of Association and the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Li Wai Leung and Mr. Theil Paul Marin will retire from office at the AGM, and being eligible, will offer themselves for re-election at the AGM. Mr. Zhou Fang Sheng will also retire from office at the AGM but will not offer himself for re-election as an independent non-executive Directors.

Mr. Theil Paul Marin, being eligible for election as independent non-executive Director at the AGM, has given confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board and the Nomination Committee of the Company determined that Mr. Theil Paul Marin meets the criteria of independence expected of an independent non-executive Director under Rule 3.13 of the Listing Rules and have the character, integrity, independence and experience required to fulfil and discharge the role and duties of an independent non-executive Director in the event that he is elected at the AGM.

LETTER FROM THE BOARD

Mr. Zhou Fang Sheng confirms that, in relation to his proposed retirement, he has no disagreement with the Board and there are no other matters that need to be brought to the attention of the Shareholders and/or the Stock Exchange. As mentioned above, Mr. Zhou Fang Sheng will not seek for re-election and will retire from the office of independent non-executive Director at the AGM. Therefore, the Board nominates Mr. Chen Chuang as the candidate for election as the new independent non-executive Director at the AGM. Mr. Chen Chuang, being eligible for election as independent non-executive Director of the Company at the AGM, has given confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board and the Nomination Committee of the Company determined that Mr. Chen Chuang meets the criteria of independence expected of an independent non-executive Director under Rule 3.13 of the Listing Rules and have the character, integrity, independence and experience required to fulfil and discharge the role and duties of an independent non-executive Director in the event that he is elected at the AGM.

Subject to Shareholders' approval at the AGM, the Company will enter into an appointment letter with Mr. Chen Chuang, which is subject to termination by either party giving not less than three months written notice. He is also subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association. Mr. Chen will be entitled to a director fee of HK\$120,000 which is determined with reference to his responsibilities, experience and market rate by the Board. Details of the Directors proposed to be re-elected and elected at the AGM are set out in Appendix II to this circular.

5. CLOSURE OF REGISTER OF MEMBERS

(a) For determining the entitlement to attend and vote at the 2022 AGM

The annual general meeting is scheduled to be held on Friday, 20 May 2022. For determining the entitlement to attend and vote at AGM, the register of members of the Company will be closed from Tuesday, 17 May 2022 to Friday, 20 May 2022, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at AGM, unregistered holders of shares of the Company should ensure that all the share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 16 May 2022.

(b) For determining the entitlement to the proposed final dividend

The Proposed Final Dividend is subject to the approval of shareholders at the AGM. For determining the entitlement to the proposed final dividend for the year ended 31 December 2021, the register of members of the Company will also be closed from Thursday, 26 May 2022 to Friday, 27 May 2022, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for entitlement to the proposed final dividend, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 25 May 2022.

LETTER FROM THE BOARD

6. PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

In order to bring the Memorandum and Articles of Association in line with the latest amendments to the relevant requirements of the Listing Rules and Companies Act, and to provide flexibility to the Company in relation to the conduct of general meetings, the Board proposes to seek Shareholders' approval by special resolution to amend the Memorandum and Articles of Association and adopt the new Memorandum and Articles of Association, with effect from the date of the passing of the relevant special resolution at the Annual General Meeting. A summary of the major changes are set out below:

- a) to allow all general meetings (including, *inter alia*, an annual general meeting, an extraordinary general meeting, any adjourned meeting or postponed meeting) to be held as a Virtual Meeting;
- b) to include or revise the definitions of "Communication Facilities", "the Companies Act/the Act", "Electronic Transactions Act", "Person", "Present", "Virtual Meeting", "Words in Act to bear same meaning in Articles" and "the Electronic Transactions Act" to align the relevant provisions in the new Memorandum and Articles of Association with the applicable laws of the Cayman Islands and the Listing Rules, and making corresponding changes to the relevant articles;
- c) to tighten the restriction of issuing shares to bearer;
- d) to clarify that the Company shall hold a general meeting as its annual general meeting in each financial year within such time that is in compliance with all applicable laws and regulations and the Listing Rules;
- e) to allow members holding a minority stake in the total number of issued shares to be able to convene an extraordinary general meeting and add resolutions to a meeting agenda;
- f) to allow the Board to make Communication Facilities available for any general meetings of the Company and determine that any general meeting may be held as a Virtual Meeting;
- g) to remove the requirement of allowing 21 days' notice when calling any extraordinary general meeting for the passing of a special resolution;
- h) to require including additional details to be specified in a notice of any general meeting at which Communication Facilities will be utilized (including any Virtual Meeting);
- i) to allow member Present be counted in the quorum for, and entitled to vote at the meeting;
- j) to provide that any failure of the Communication Facilities to enable the members and other participants of a general meeting to participate in the business shall not affect the validity of the general meeting;
- k) to allow the Chairman of any general meeting to attend and participate at such general meeting by means of Communication Facilities;

LETTER FROM THE BOARD

- l) to allow the Chairman of any general meeting to interrupt or adjourn the meeting and/or change the form of the meeting in certain circumstances that is provided for in the new Articles of Association;
- m) to ensure that (a) every member Present shall have the right to speak, (b) on a show of hands, every member Present shall have one vote, and (c) on a poll every member proxy Present shall have one vote for each share registered in his name in the register;
- n) to allow recognized clearing house which is a member of the Company to appoint such person or persons as its proxy or proxies, or representative or representatives at any general meeting, or at any general meeting of any class of members, or at any creditors' meetings of the Company;
- o) to clarify that any person appointed by the Directors to fill a casual vacancy on or as an addition Director shall hold office only until the first annual general meeting of the Company after his appointment, and shall then be eligible for re-election;
- p) to allow the remuneration of the auditors be fixed by the Company at the general meeting year by ordinary resolution or in such manner as the members of the Company may determine by ordinary resolution;
- q) to allow voluntary winding up of the Company by special resolution; and
- r) other amendments for house-keeping purposes.

The proposed amendments to the Memorandum and Articles of Association is set out in Appendix III to this circular. The Chinese translation of the proposed amendments to the Memorandum and Articles of Association is for reference only. In case of any discrepancy or inconsistency between the English and Chinese versions, the English version shall prevail.

The legal advisers to the Company as to Hong Kong law and Cayman Islands law have confirmed that the proposed amendments to the Articles of Association conform with the requirements under Appendix 3 to the Listing Rules and the Companies Act. The Company confirms that there is nothing unusual about the proposed amendments for a Cayman Islands company listed on the Stock Exchange.

7. ANNUAL GENERAL MEETING

The AGM will be held at 22/F United Centre, 95 Queensway, Hong Kong by way of hybrid meeting on Friday, 20 May 2022 at 10:00 a.m. The notice of AGM is set out on pages 37 to 41 of this circular. Resolutions in respect of proposed amendments to the Memorandum and Articles of Association and adoption of the new Memorandum and Articles of Association, the general mandates to repurchase and issue Shares and re-election of retiring of Directors and election of Director as referred to above will be proposed, amongst others, at the AGM.

LETTER FROM THE BOARD

8. ACTION TO BE TAKEN

A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the form of proxy to the Company's branch share registrar, Tricor Abacus Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for holding of the meeting. Completion and return of the form of proxy will not prevent you from attending and voting at the AGM should you so wish.

As set out in the section headed "*Special Arrangements for the AGM*" of this circular, the AGM will be a hybrid meeting. **The Shareholders are requested to attend the AGM by means of electronic facilities via Tencent Meeting. Any shareholder who does attempt to attend the AGM in person will be denied entry to the venue of the AGM.** All registered shareholders could view the live streaming webcast of the AGM via Tencent Meeting and will not be counted towards a quorum nor will they be able to cast their votes online. Shareholders could exercise their voting rights by appointing the Chairman of the AGM as their proxy to vote on their behalf.

9. VOTING BY POLL

According to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll, and hence the Chairman of the meeting will demand for a poll for all resolutions put forward at the forthcoming AGM to be held on 20 May 2022.

10. RECOMMENDATION

The Directors believe the general mandates to repurchase and issue Shares, the re-election of retiring Directors and election of Director and the proposed amendments to the Memorandum and Articles of Association and adoption of new Memorandum and Articles of Association are in the best interests of the Company and Shareholders as a whole, and accordingly recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

11. RESPONSIBILITY STATEMENT

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

By order of the Board
Sze Man Bok
Chairman

(A) PROPOSED SHARE REPURCHASE MANDATE

It is proposed that the Directors may exercise the powers of the Company to repurchase up to 10% of the Shares in issue as at the date of the passing of the resolution to approve the granting to the Directors the Share Repurchase Mandate. As at the Latest Practicable Date, the number of Shares in issue was 1,162,120,917 shares. Accordingly, the exercise of the Share Repurchase Mandate in full (being the repurchase of 10% of the Shares in issue as at the date of the passing of the resolution to approve the Share Repurchase Mandate) would enable the Company to repurchase 116,212,092 shares.

(B) REASONS FOR REPURCHASES

Repurchases of Shares will only be made if the Directors believe that such repurchases will benefit the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share.

(C) FUNDING OF REPURCHASES

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. It is envisaged that the funds required for any repurchase would be derived from the Company's available cash flow or working capital facilities.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited accounts) in the event that the Share Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Share Repurchase Mandate to such an 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.

(D) UNDERTAKING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention to sell Shares to the Company or its subsidiaries if the Share Repurchase Mandate is granted.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

No core connected person has notified the Company that he/she has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Share Repurchase Mandate is granted.

(E) IMPLICATION UNDER TAKEOVERS CODE AND THE PUBLIC FLOAT REQUIREMENT

If on the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a

result, a shareholder or a group of shareholders acting in concert, depending on the level of increase of the shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date, the substantial shareholders of the Company, Mr. Sze Man Bok and Mr. Hui Lin Chit, were beneficially interested in an aggregate of 507,883,132 Shares, representing approximately 43.70% of the total issued share capital of the Company, which 507,307,532 Shares were held by Credit Suisse Trust Limited as trustee of The Sze's Family Trust and The Hui Family Trust, being discretionary trusts established by Mr. Sze and Mr. Hui respectively, and 575,600 Shares were personally held by Mr. Sze.

In the event the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Share Repurchase Mandate, the aggregate interests of the abovesaid Shareholders would be increased to approximately 48.56% of the total issued share capital of the Company after the repurchase. The Directors believe that such increase may give rise to such Shareholders an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. However, the Directors do not intend to exercise the power to repurchase Shares to such extent at present. The Directors are not aware of any other consequences which may arise under the Takeovers Code as a result of any repurchase made under the Share Repurchase Mandate.

Any repurchase of the Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could not be implemented unless waiver is granted by the Stock Exchange from strict compliance requirements regarding the public float under Rule 8.08 of the Listing Rules. However, in the event that the Share Repurchase Mandate is exercised in full, the number of Shares held by the public would not fall below 25% of the total number of Shares in issue.

(F) SHARE PRICES

The highest and lowest prices at which Shares had been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date, were as follows:

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
April	51.95	50.05
May	52.80	49.15
June	54.40	51.00
July	53.75	45.20
August	48.00	40.15
September	45.00	40.10
October	44.20	40.30
November	41.45	37.20
December	43.05	36.80
2022		
January	43.40	37.90
February	42.85	38.00
March	41.95	34.40
April (up to the Latest Practicable Date)	37.90	35.90

(G) SHARE REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company had repurchased its shares on the Stock Exchange as follows:

Date of repurchase	Number of shares repurchased	Highest price paid <i>HK\$</i>	Lowest price paid <i>HK\$</i>
4 October 2021	400,000	41.45	40.60
5 October 2021	400,000	41.85	40.90
6 October 2021	400,000	41.75	40.80
7 October 2021	400,000	42.60	42.05
8 October 2021	<u>400,000</u>	43.45	42.60
	<u><u>2,000,000</u></u>		

EXECUTIVE DIRECTOR

MR. SZE MAN BOK

Mr. Sze Man Bok, aged 72, is the Chairman of the Group. He is responsible for the Group's overall corporate direction and business strategy. Mr. Sze is one of the founding shareholders and a member of the Nomination Committee of the Company. Mr. Sze has over 40 years of experience in manufacturing and distribution of consumer products. He is the father of Mr. Sze Wong Kim, an Executive Director of the Company. Mr. Sze is currently a non-executive director of Qinqin Foodstuffs Group (Cayman) Company Limited (stock code 1583), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Mr. Sze was appointed as executive director of Wang-Zeng Berhad ("**WZB**") on 15 June 2017, a company listed on the Main Market of Bursa Malaysia Securities Berhad with a stock code of 7203. He was redesignated as non-independent non-executive director of WZB on 25 September 2017.

Mr. Sze has entered into a service agreement with the Company for an initial term of three years and continuing thereafter on an annual basis. His directorship is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Sze received remuneration of approximately RMB387,275 for the year ended 31 December 2021, which was determined with reference to his experience, responsibilities, performance and the Group's financial results.

Save as disclosed above, Mr. Sze has not held any other directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Saved as disclosed above, he does not have any relationship with any Directors, senior management, substantial or controlling Shareholder of the Company. As at the Latest Practicable Date, Mr. Sze was interested in 238,990,399 Shares. He also held 20,000 options granted under the share option scheme adopted by the Company on 26 May 2011 to subscribe for 20,000 Shares of the Company and 100,000 options granted under the share option scheme adopted by the Company on 17 May 2021 to subscribe for 100,000 Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**") ("**Part XV of the SFO**"). Out of the 238,990,399, 238,414,799 Shares were held by Credit Suisse Trust Limited, as trustee of Sze's Family Trust, being a discretionary trust established by Mr. Sze. Mr. Sze had personal interests in 575,600 Shares.

No public sanctions have been made against Mr. Sze by statutory or regulatory authorities, saved as disclosed below. Reference was made to the Stock Exchange announcement on 11 October 2001. During the period from September to December 1999, the Group had made temporary advances of HK\$46,425,000 to United Wealth International (Holdings) Limited ("**United Wealth**") and Changde Hengan Paper Products Co., ("**Changde Paper**"). These temporary advances, representing approximately 3.02% of the Group's consolidated net tangible assets as at 31 December 1999, were fully received with interest and handling fee between early January 2000 and February 2000. United Wealth was wholly owned by Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Yeung Wing Chun and Mr. Hung Ching Shan, the Executive Directors of the Company for the time being, while Changde Paper was a 94% owned subsidiary of United Wealth. As such, the temporary advances constituted connected transactions of the Company. Mr. Sze and other relevant Executive Directors were publicly criticised for breaching the Listing Rules and Directors' Undertaking as they failed to disclose these connected transactions by way of a press notice, seek independent Shareholders' approval in advance and notify the Stock Exchange on a timely basis. Mr. Sze

considers that he is appropriate to continue to act as a Director of the Company as the above infringement was unintentional and did not arise by reason of any bad faith or deliberate conduct. In addition, he has gained relevant experience and knowledge from the above event to prevent any similar infringement in the future. The Board also considers that Mr. Sze, who has over 40 years of experience in the consumer product industry, has the requisite knowledge and competence to act as an Executive Director of the Company.

Save as disclosed above, Mr. Sze has confirmed that there are no other matters that need to be brought to the attention of the Shareholders or to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules in connection with his re-election.

MR. HUI LIN CHIT

Mr. Hui Lin Chit (former known as Hui Chi Lin), aged 68, is the Deputy Chairman and Executive Director of the Company. He provides support for Hengan Group's long-term development. Mr. Hui is one of the founding shareholders of the Company and has over 40 years of experience in manufacturing and distribution of consumer products. He resigned as Chief Executive Officer, the authorized representative (for the purposes of Rule 3.05 of the Listing Rules) (the "**Authorized Representative**"), a member of nomination committee and remuneration committee of Hengan International on 18 August 2021. During the period of 1998 and 18 August 2021, Mr. Hui was appointed as Chief Executive Officer and responsible for strategic planning, human resources and the overall management of Hengan Group. Mr. Hui has the title of senior economist in People's Republic of China ("**PRC**"). He is also a Deputy Chairman of All-China General Chamber of Industry and Commerce, Chairman of Fujian Province Industry and Trade Association, United Nations Maritime- Continental Silk Road Cities Alliance, and the Jinjiang City Charity Federation.

Mr. Hui was a member of the 9th, 10th and 11th National Committee of Chinese People's Political Consultative Conference (CPPCC) from 1998 to 2012. During the period from 1997 to 2011, he was also a member of the Executive Committee (at the 8th CPPCC National Committee) and Standing Committee (at the 9th CPPCC National Committee), and deputy chairman (at the 10th CPPCC National Committee) of All-China Federation of Industry and Commerce. He was also a deputy chairman of the 9th, 10th and 11th Quanzhou Municipal CPPCC Committee and the chairman of the 10th, 11th, 12th and 13th Quanzhou Federation of Industry and Commerce.

He is the father of Mr. Hui Ching Lau, Chief Executive Officer and an Executive Director of the Company and Mr. Hui Ching Chi, an Executive Director of the Company. Mr. Hui was the Chairman and is currently a non-executive director of Qinqin Foodstuffs Group (Cayman) Company Limited, a company listed on the Main Board of the Stock Exchange. Mr. Hui was appointed as executive director of WZB on 15 June 2017 and redesignated as non-independent non-executive chairman of WZB on 25 September 2017.

Mr. Hui has entered into a service agreement with the Company for an initial term of three years and continuing thereafter on an annual basis. His directorship subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Hui received remuneration of approximately RMB1,618,143 for the year ended 31 December 2021, which was determined with reference to his experience, responsibilities, performance and the Group's financial results.

Save as disclosed above, Mr. Hui has not held any other directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, he does not have any relationship with any directors, senior management, substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Hui was interested in 268,892,733 Shares. He also held 148,000 shares options granted under the Share Option Scheme adopted by the Company on 26 May 2011 to subscribe for 148,000 Shares of the Company and 300,000 shares options granted under the Share Option Scheme adopted by the Company on 17 May 2021 to subscribe for 300,000 Shares of the Company within the meaning of Part XV of the SFO. The 268,892,733 Shares were held by Credit Suisse Trust Limited, as trustee of The Hui Family Trust, being a discretionary trust established by Mr. Hui.

No public sanctions have been made against Mr. Hui by statutory or regulatory authorities, saved as disclosed below. Reference was made to the Stock Exchange announcement on 11 October 2001. During the period from September to December 1999, the Group had made temporary advances of HK\$46,425,000 to United Wealth International (Holdings) Limited (“**United Wealth**”) and Changde Hengan Paper Products Co., (“**Changde Paper**”). These temporary advances, representing approximately 3.02% of the Group’s consolidated net tangible assets as at 31 December 1999, were fully received with interest and handling fee between early January 2000 and February 2000. United Wealth was wholly owned by Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Yeung Wing Chun and Mr. Hung Ching Shan, the Executive Directors of the Company for the time being, while Changde Paper was a 94% owned subsidiary of United Wealth. As such, the temporary advances constituted connected transactions of the Company. Mr. Hui and other relevant Executive Directors at that time were publicly criticised for breaching the Listing Rules and Directors’ Undertaking as they failed to disclose these connected transactions by way of a press notice, seek independent shareholders’ approval in advance and notify the Stock Exchange on a timely basis. Mr. Hui considers that he is appropriate to continue to act as a Director of the Company as the above infringement was unintentional and did not arise by reason of any bad faith or deliberate conduct. In addition, he has gained relevant experience and knowledge from the above event to prevent any similar infringement in the future. The Board of Directors also considers that Mr. Hui, who has over 40 years of experience in the consumer product industry, is appropriate to be an Executive Director of the Company.

Save as disclosed above, Mr. Hui has confirmed that there are no other matters that need to be brought to the attention of the Shareholders or to be disclosed pursuant to Rule 13.51(2)(h) to (v) in connection with his re-election.

MR. LI WAI LEUNG

Mr. Li Wai Leung, aged 43, is appointed as the Chief Financial Officer of the Group on 26 March 2020. Mr. Li is also the Company Secretary and Authorized Representative of the Company. He has over 21 years of experience in accounting, finance and business advisory work. Before joining the Group on 3 January 2017, Mr. Li worked as the chief financial officer of various sizable PRC based manufacturing companies and as a senior manager in PricewaterhouseCoopers. Mr. Li obtained his bachelor’s degree in Business Administration in Accounting and Finance from the University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Li was appointed as executive director of WZB on 15 June 2017.

Mr. Li has entered into a service agreement with the Company for an initial term of three years and continuing thereafter on an annual basis. His directorship is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Li received remuneration of approximately RMB1,735,924 for the year ended 31 December 2021, which was determined with reference to his experience, responsibilities, performance and the Group's financial results.

Save as disclosed above, Mr. Li does not have any relationship with any directors, senior management, substantial or controlling shareholder of the Company. As at the Latest Practicable Date, Mr. Li held 300,000 shares options granted under the Share Option Scheme adopted by the Company on 17 May 2021 to subscribe for 300,000 Shares of the Company within the meaning of Part XV of the SFO. He has not held any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Li has confirmed that there are no other matters that need to be brought to the attention of the Shareholders or to be disclosed pursuant to Rule 13.51(2)(h) to (v) in connection with his re-election.

INDEPENDENT NON-EXECUTIVE DIRECTOR

MR. THEIL PAUL MARIN

Mr. Theil Paul Marin, aged 68, was appointed as an independent non-executive director and also a member of the audit committee, nomination committee and remuneration committee of the Company on 17 May 2019. He has had extensive experience in the finance and investment industry. He is the founder and has been the Chairman of Shenzhen Zhong An Credit Investment Co., Ltd since January 2008. He is an independent non-executive director of Qin Qin Foodstuffs Group (a company listed in Shenzhen with stock code: HK1583) ("**QinQin**") since June 2016. He was an independent director of China Industrial Bank Co. Ltd., (stock code: SH601166) from October 2013 to June 2021 and re-designed as a supervisor since then. He was also previously a director of the Company from July 2000 to September 2001.

Mr. Theil graduated from Yale University with a Degree of Bachelor of Arts in June 1975 and a Degree of Master of Arts in East Asian Studies in June 1975. He also graduated with a Degree of Juris Doctor and a Degree of Master of Business Administration from Harvard Law School and Harvard Business School in November 1981 and June 1980 respectively.

Save as disclosed above, Mr. Theil has not held any other directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As aforementioned, Mr. Theil is an independent non-executive director of QinQin. Mr. Hui Lin Chit, executive director, deputy chairman and substantial shareholder of the Company, is a non-executive director of QinQin. Mr. Sze Man Bok, executive director, chairman and substantial shareholder of the Company, is also a non-executive director of QinQin. Mr. Sze has personal interests and is deemed interested, through the Sze's Family Trust, in a total of approximately 6.06% of shares in QinQin under Part XV of the SFO. Mr. Hui Ching Lau, executive director and chief executive director of the Company, is an executive director and chairman of QinQin. Mr. Hui is deemed to be interested through his controlled corporation in approximately 50.07% of shares in QinQin under Part XV of the SFO.

As at the Latest Practicable Date, Mr. Theil was not interested in any shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Theil is not connected with any directors, senior management, substantial or controlling shareholders of the Company.

Mr. Theil entered into an appointment letter with the Company, which is subject to termination by either party giving not less than three month written notice. He is also subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association. Mr. Theil received remuneration of approximately RMB99,516 for the year ended 31 December 2021, which was determined with reference to his experience, responsibilities and market rate by the Board.

Save as disclosed above, Mr. Theil has confirmed that there are no other matters that need to be brought to the attention of the Shareholders or to be disclosed pursuant to Rule 13.51(2)(h) to (v) in connection with his re-election.

MR. CHEN CHUANG

Mr. Chen Chuang, aged 44, has over 16 years of experience in corporate strategy, large enterprises innovation, and internal innovation. Mr. Chen is an independent non-executive director of 361 Degrees International Limited (stock code 1361) since August 2019, a company listed on the main board of the Stock Exchange. He was awarded a bachelor degree and a master degree in Management from the Dalian University of Technology. He also received his doctorate degree in Business Administration from Tsinghua University. He is currently a professor of business management at the Master of Business Administration Education Center of the School of Management of Xiamen University. Mr. Chen is a committee member of Case Research Division of Chinese Society for Management Modernisation.

Save as disclosed above, Mr. Chen has not held any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Mr. Chen was not interested in any shares of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, Mr. Chen is not connected with any directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, he does not hold any positions within the Group. Subject to the election of Mr. Chen as an independent non-executive Director at the AGM, the Company will enter into an appointment letter with Mr. Chen, which is subject to termination by either party giving not less than three month written notice. He is also subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association. Mr. Chen will be entitled to a director fee of HK\$120,000 which is determined with reference to his responsibilities, experience and market rate by the Board.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Chen Chuang in that is required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to (v) of the Listing Rules nor are there any other matter that needs to be brought to the attention of the Shareholders.

Set out below the proposed amendments to the Memorandum and Articles of Association of the Company:

Article No. Proposed amendments (showing changes to the existing Memorandum and Articles of Association)

Amendments to the Memorandum of Association

4. Except as prohibited or limited by the Companies ~~Law (2011 Revision)~~ **Act (As Revised)**, the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies ~~Law (2011 Revision)~~ **Act (As Revised)** and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate, irrespective of any question of corporate benefit, in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, debenture stock, loans, loan stock, loan notes, bonds, convertible bonds, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the Company including uncalled capital or without security; to invest monies of the Company in such manner as the Directors determine; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to members of the Company; to contract with persons for the provision of advice, the management and custody of the Company's assets, the listing of the Company's shares and its administration; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers, employees, past or present and their families; to purchase Directors and officers liability insurance; to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Directors, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a licence is required under the laws of the Cayman Islands when so licensed under the terms of such laws.

- 6. The share capital of the Company is HK\$300,000,000.00 divided into 3,000,000,000 shares of a nominal or par value of HK\$0.10 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies ~~Law (2011 Revision) Act (As Revised)~~ and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.
- 7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies ~~Law (2011 Revision) Act (As Revised)~~ and, subject to the provisions of the Companies ~~Law (2011 Revision) Act (As Revised)~~ and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

Amendments to Articles of Association

- 1. The regulations contained in Table A in the First Schedule to the Companies ~~Law~~Act shall not apply to the Company.
- 2. The marginal notes to these Articles shall not affect the interpretation hereof. In these Articles, unless there be something in the subject or context inconsistent therewith:

<u>Communication Facilities</u>	<u>“Communication Facilities” shall mean video, videoconferencing, internet or online conferencing applications, telephone or tele-conferencing and/or any other video-communication, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and being heard by each other;</u>
the Companies Law <u>Act</u> /the Law <u>Act</u>	“the Companies Law <u>Act</u> ” or “the Law <u>Act</u> ” shall mean the Companies Law (2011 Revision), Cap. 22 <u>Act (As Revised)</u> of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
the Companies Ordinance	“the Companies Ordinance” shall mean the Companies Ordinance (Cap. 326 <u>22</u> of the Laws of Hong Kong) as in force from time to time;
dividend	“dividend” shall include bonus dividends and distributions permitted by the Law <u>Act</u> to be categorised as dividends;
electronic	shall have the meaning given to it in the Electronic Transactions Law <u>Act</u> ;

<u>Electronic Transactions LawAct</u>	means the Electronic Transactions Law (2003 Revision Act (As Revised) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
<u>Person</u>	<u>“Person” shall mean any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having separate legal personality) or any of them as the context so requires;</u>
<u>Present</u>	<p><u>“Present” shall mean, in respect of any Person, such Person’s presence at a general meeting of members, which may be satisfied by means of such Person or, if a corporation or other non-natural Person, its duly authorised representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with these Articles), being:</u></p> <p><u>(a) physically present at the meeting; or</u></p> <p><u>(b) in the case of any meeting at which Communication Facilities are permitted in accordance with these Articles, including any Virtual Meeting, connected by means of the use of such Communication Facilities;</u></p>
recognised clearing house	“recognised clearing house” shall have the meaning ascribed thereto in Part 1 of Schedule 1 of the Securities and Futures Ordinance <u>(Cap. 571 of the Laws of Hong Kong)</u> and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor as amended from time to time;
special resolution	“special resolution” shall have the same meaning as ascribed thereto in the LawAct and shall include a unanimous written resolution of all members: for this purpose, the requisite majority shall be not less than three-fourths of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution passed pursuant to Article 84;
<u>Virtual Meeting</u>	<u>“Virtual Meeting” shall mean any general meeting of the members at which the members (and any other permitted participants of such meeting, including, without limitation, the Chairman of such meeting and any Directors) are permitted to attend and participate solely by means of such Communication Facilities;</u>

Words in ~~LawAct~~ to bear same meaning in Articles Subject as aforesaid, any words defined in the ~~LawAct~~ shall, if not inconsistent with the subject and/or context, bear the same meanings in these Articles;

~~Section 8 of the The Electronic Transactions LawAct~~ ~~Section~~Sections 8 and 19(3) of the Electronic Transactions ~~LawAct~~ shall not apply.

4. Issue of shares

Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may determine. Adequate voting rights will, in appropriate circumstances, be secured to preference shareholders of the Company. Subject to the ~~LawAct~~ and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No shares shall be issued to bearer ~~for so long as a recognised clearing house (in its capacity as such) is a member of the Company.~~

6. How class rights may be modified

(a) If at any time the capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the ~~LawAct~~, be varied or abrogated with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class. To every such separate meeting all the provisions of these Articles relating to general meetings shall mutatis mutandis apply, except that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class.

7. Company may purchase and finance the purchase of own shares and warrants

Subject to the ~~Law~~Act, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of shares, the Company shall have the power to purchase or otherwise acquire ~~all or~~ any of its own shares (which expression as used in this Article includes redeemable shares) provided that the manner of purchase has first been authorised by an ordinary resolution of the shareholders, and to purchase or otherwise acquire warrants for the subscription or purchase of its own shares, and shares and warrants for the subscription or purchase of any shares in any company which is its holding company and may make payment therefor in any manner authorised or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, the provision of security or otherwise howsoever, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in the Company or any company which is a holding company of the Company and should the Company purchase or otherwise acquire its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be purchased or otherwise acquired rateably or in any other manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with any relevant code, rules or regulations issued by the Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.

9. Redemption

(c) Subject to the provisions of the ~~Law~~Act and the Memorandum of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

11. Shares at the disposal of the Board

Subject to the provisions of the ~~Law~~Act, of the Memorandum of Association of the Company, and of these Articles relating to new shares, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Board shall determine.

12. Company may pay commissions

The Company may, unless prohibited by law, at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, provided that the conditions and requirements of the LawAct shall be observed and complied with, and in each case the commission shall not exceed 10% of the price at which the shares are issued.

14. Share register

(a) The Board shall cause to be kept at such place within or outside the Cayman Islands as it deems fit a principal register of the members and there shall be entered therein the particulars of the members and the shares issued to each of them and other particulars required under the LawAct.

(d) Notwithstanding anything contained in this Article, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of shares effected on any branch register and shall at all times maintain the principal register in such manner as to show at all times the members for the time being and the shares respectively held by them, in all respects in accordance with the Companies LawAct.

15. (a) Except when a register is closed and, if applicable, subject to the additional provisions of paragraph (c) of this Article, the principal register and any branch register shall, during business hours, be open ~~to the~~for inspection ~~of~~by any member without charge.

16. Share certificates

Every person whose name is entered as a member in the register shall be entitled without payment to receive, within the relevant time limit as prescribed in the LawAct or as the Exchange may from time to time determine, whichever is shorter, after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide), one certificate for all his shares of each class or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming an Exchange board lot, upon payment, in the case of a transfer, of a sum equal to the relevant maximum amount as the Exchange may from time to time determine for every certificate after the first or such lesser sum as the Board shall from time to time determine, such numbers of certificates for shares in Exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

59. Power to convert into stock

Subject to the Companies LawAct, the Company may by ordinary resolution convert any fully paid up shares into stock, and may from time to time by like resolution re-convert any stock into fully paid up shares of any denomination.

63. Consolidation and division of capital and sub-division and cancellation of shares

(a) The Company may from time to time by ordinary resolution:

(ii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its capital by the amount of the shares so cancelled subject to the provisions of the LawAct; and

(iii) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of the Company, subject nevertheless to the provisions of the LawAct, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

Reduction of capital

(b) The Company may by special resolution reduce its capital, any capital redemption reserve or any share premium account in any manner authorised and subject to any conditions prescribed by the LawAct.

68. Register of charges to be kept

(a) The Board shall cause a proper register to be kept, in accordance with the provisions of the LawAct, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the LawAct in regard to the registration of mortgages and charges therein specified and otherwise.

70. When annual general meeting to be held

The Company shall ~~in each year~~ hold a general meeting as its annual general meeting ~~in addition to any other meeting in that year and shall specify the meeting~~**each financial year within such time that is in compliance with all applicable laws and regulations and the Listing Rules. The annual general meeting shall be specified** as such ~~in the notices calling it; and not more than 15 months shall elapse (or such longer period as the Exchange may authorise) between the date of one annual general meeting of the Company and that of the next. So long as the first annual general meeting of the Company is held within 15 months from the date of its incorporation, it need not be held in the year of its incorporation. The annual general meeting shall~~**shall** be held at such time and place as the Board shall appoint.

72. Convening of extraordinary general meeting

The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any ~~two~~^{one} or more members of the Company holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the voting rights, on a one vote per share basis, of the Company which carry the right of voting at general meetings of the Company. The written requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, specifying the objects of the meeting and signed by the requisitionists, ~~provided that such requisitionist holds as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognised clearing house (or its nominee) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist hold as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company~~the resolutions to be added to the meeting agenda, and signed by the requisitionist(s). If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of ~~the~~ deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

72A. The Board may make Communication Facilities available for a specific meeting or all general meetings of the Company so that members and other participants may attend and participate at such general meeting by means of such Communication Facilities. Without limiting the generality of the foregoing, the Board may determine that any general meeting may be held as a Virtual Meeting.

73. Notice of meetings

- (a) An annual general meeting ~~and any extraordinary general meeting called for the passing of a special resolution~~ shall be called by not less than 21 days' notice in writing and any ~~other~~ extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirements under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions to be considered at the meeting and in the case of special business (as defined in Article 75) the general nature of that business. 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. **The notice of any general meeting at which Communication Facilities will be utilized (including any Virtual Meeting) shall disclose the Communication Facilities that will be utilized, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilize such Communication Facilities for the purpose of attending, participating and voting at such meeting.** Notice of every general meeting shall be given to the Auditors and to all members other than such members who are, under the provisions hereof or the terms of issue of the shares they hold, not entitled to receive such notice from the Company.

76. Quorum

For all purposes the quorum for a general meeting shall be two members ~~present in person or by proxy~~**Present** provided always that if the Company has only one member of record the quorum shall be that one member ~~present in person or by proxy~~**Present**. No business (except the appointment of a Chairman) shall be transacted at any general meeting unless the requisite quorum shall be ~~present~~**Present** at the commencement of the business. **A failure for any reason of the Communication Facilities to enable the members and other participants of a general meeting at which such Communication Facilities are utilised (including a Virtual Meeting) to participate in the business for which such general meeting is convened shall not affect the validity of the general meeting, any business conducted thereat or any action taken pursuant to such business, provided that a quorum is Present throughout the general meeting.**

77. When if quorum not present meeting to be dissolved and when to be adjourned

If within 15 minutes from the time appointed for the meeting a quorum is not ~~present~~**Present**, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board, and if at such adjourned meeting a quorum is not ~~present~~**Present** within 15 minutes from the time appointed for holding the meeting, the member or members ~~present in person (or in the case of a corporation by its duly authorized representative) or by proxy~~**Present** shall be a quorum and may transact the business for which the meeting was called.

78. Chairman of general meeting

The Chairman shall take the chair at every general meeting, or, if there be no such Chairman or, if at any general meeting such Chairman shall not be ~~present~~**Present** within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors ~~present~~**Present** shall choose another Director as Chairman, and if no Director be ~~present~~**Present**, or if all the Directors ~~present~~**Present** decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members ~~present (whether in person or represented by proxy or duly authorized representative)~~**Present** shall choose one of their own number to be Chairman.

78A. The Chairman of any general meeting shall be entitled to attend and participate at such general meeting by means of Communication Facilities, and to act as the Chairman, in which event:

- (a) **the Chairman shall be deemed to be Present at the meeting; and**
- (b) **if the Communication Facilities are interrupted or fail for any reason to enable the Chairman to hear and be heard by all other Persons attending and participating at the meeting, then the other Directors Present at the meeting shall choose another Director Present to act as Chairman of the meeting for the remainder of the meeting; provided that (i) if no other Director is Present at the meeting, or (ii) if all the Directors Present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place as shall be decided by the Board.**

79. Power to adjourn general meeting/business of adjourned meeting

The Chairman may, with the consent of any general meeting at which a quorum is ~~present~~**Present**, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place **and/or to change the form of the meeting** as the meeting shall determine. **In addition, if it appears to the Chairman that the Communication Facilities being utilised at such meeting (if any) have become inadequate or the security of such Communication Facilities have become inadequate or it is not possible to ascertain the view of the members Present or to give the members Present a reasonable opportunity to communicate and/or vote at the meeting, then the Chairman may, without the consent of the meeting, interrupt or adjourn the meeting and/or change the Communication Facilities. All business conducted at the meeting up to the time of such adjournment shall be valid.** Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

85. Votes of members

Subject to **Article 89(c) and to** any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting ~~where (a) every member Present shall have the right to speak, (b) on~~ a show of hands is allowed, every member ~~present in person (or, in the case of a member being a corporation, by its duly authorised representative)~~ **Present** shall have one vote, and **(c)** on a poll every member ~~who is present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy~~ **Present** shall have one vote for each share registered in his name in the register. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. For the avoidance of doubt, where more than one proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands and is under no obligation to cast all his votes in the same way on a poll.

87. Votes of joint holders

Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be ~~present~~ **Present** at any meeting ~~personally or by proxy~~, that one of the said persons so ~~present~~ **Present** being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

89. Qualification for voting

(a) Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be ~~present~~ **Present** or to vote (save as proxy for another member), or to be reckoned in a quorum, either personally or by proxy at any general meeting.

96. Corporations/clearing houses acting by representatives at meetings

(a) Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company and where a corporation is so represented, it shall be treated as being ~~present~~ **Present** at any meeting in person.

- (b) If a recognised clearing house (or its nominee) is a member of the Company it may appoint such person or persons as its proxy or proxies or, by resolution of its directors or other governing body or by power of attorney, authorise or appoint such person or persons as it thinks fit to act as its representative or representatives at any general meeting of the Company or at any general meeting of any class of members of the Company or at any creditors' meetings of the Company provided that, if more than one person is so authorised or appointed as a proxy, the authorisation or proxy form shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised or appointed pursuant to this provision shall be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee) which he represents as that recognised clearing house (or its nominee) could exercise if it were an individual member of the Company holding the number and class of shares specified in such authorization, including, where a show of hands is allowed, the right to vote individually on a show of hands, notwithstanding any contrary provision contained in these Articles.

99. Board may fill vacancies/appoint additional Directors

The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on or as an addition to the Board. Any Director so appointed shall hold office only until the ~~next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following~~first annual general meeting of the Company ~~(in the case of an addition to the Board),~~after his appointment and shall then be eligible for re-election at that meeting provided that any Director who so retires shall not be taken into account in determining the number of Directors who are to retire at such meeting by rotation pursuant to Article 116.

112. General powers of Company vested in Board

- (a) Subject to any exercise by the Board of the powers conferred by Articles 113 to 115, the management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the ~~Law~~Act expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the ~~Law~~Act and of these Articles and to any regulation from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

- (c) Except as would, ~~be permitted by the Companies Ordinance~~ if the Company were a company incorporated in Hong Kong, ~~be permitted by Section 157H of the Companies Ordinance as in force at the date of adoption of these Articles,~~ and except as permitted under the Companies LawAct, the Company shall not directly or indirectly:
- (i) make a loan to a Director or his Associates (as defined in Article 107(f) above) or a director of any holding company of the Company;
 - (ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or
 - (iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

119. Power of general meeting to increase or reduce the number of Directors

The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors provided that the number of Directors shall not be less than two. Subject to the provisions of these Articles and the LawAct, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. ~~Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.~~

121. Register of Directors and notification of changes to Registrar

The Company shall keep at its registered office a register of Directors and officers containing their names and addresses and ~~occupations and~~ any other particulars required by the LawAct and shall send to the Registrar of Companies of the Cayman Islands a copy of such register and shall from time to time notify the Registrar of Companies of the Cayman Islands any change that takes place in relation to such Directors and officers as required by the LawAct.

134. Appointment of Secretary

The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the LawAct or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary appointed by the Board, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Board.

135. Same person not to act in two capacities at once

A provision of the ~~Law~~Act or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

137. Duplicate seal

The Company may have duplicate seal(s) of the common seal or securities seal for use outside of the Cayman Islands under the provisions of the ~~Law~~Act as and where the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the agents of the Company for the purpose of affixing and using such duplicate seal(s) and they may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such duplicate seal(s) as aforesaid.

142. Power to capitalise

The Company in general meeting may upon the recommendation of the Board by ordinary resolution resolve that it is desirable to capitalise all or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or funds or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares, debentures or other securities of the Company to be allotted and distributed credited as fully paid up to and amongst such members in proportion aforesaid or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that a share premium account and a capital redemption reserve and any reserve or fund representing unrealised profits may, for the purposes of this Article, only be applied in paying up unissued shares to be issued to members of the Company as fully paid up shares or paying up calls or instalments due or payable on partly paid securities of the Company subject always to the provisions of the ~~Law~~Act.

144. Power to declare dividends

(a) Subject to the ~~Law~~Act and these Articles, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

148. Share Premium and Reserves

(a) The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. The Company may apply the share premium account in any manner permitted by the Companies ~~Law~~Act. The Company shall at all times comply with the provisions of the Companies ~~Law~~Act in relation to the share premium account.

152. Dividend in specie

The Board, with the sanction of the members in general meeting, may direct that any dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where required, a contract shall be filed in accordance with the provisions of the ~~Law~~Act and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

159. Annual returns and filings

The Board shall make the requisite annual returns and any other requisite filings in accordance with the ~~Law~~Act, the Companies Ordinance and the requirements of such place or places to which the Company may from time to time be subject.

160. Accounts to be kept

The Board shall cause to be kept such proper books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the ~~Law~~Act.

161. Where accounts are to be kept

The books of account shall be kept at the Company's principal office in Hong Kong or, subject to the provisions of the ~~Law~~Act, at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

162. Inspection by members

The Board shall from time to time determine whether, to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members (other than officers of the Company) and no member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the ~~Law~~**Act** or any other relevant law or regulation or as authorised by the Board or by the Company in general meeting.

165. Appointment and remuneration of Auditors

The Company shall at ~~any~~**every** annual general meeting **by ordinary resolution** appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the ~~annual~~ general meeting at which they are appointed ~~provided that in respect of any particular year~~**by ordinary resolution or in such manner as the members of** the Company ~~in general meeting may delegate the fixing of such remuneration to the Board~~**may determine by ordinary resolution.** No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.

175A. **Winding Up**

Subject to the Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.

176. Power to distribute assets in specie following liquidation

If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the Company and any other sanction required by the LawAct, divide among the members in specie or kind the whole or any part of the assets of the Company (whether the assets shall consist of property of one kind or shall consist of properties of different kinds) and may for such purpose set such value as he deems fair upon any property to be divided and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority or sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like authority or sanction and subject to the LawAct, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, provided that no member shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

179. Indemnities of Directors and officers

(b) Subject to the Companies LawAct, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

180. Financial year

~~The~~**Unless the Directors otherwise prescribe, the** financial year of the Company shall ~~be prescribed by the Board and may, from time to time, be changed by it~~**end on 31 December in each year and, following the year of incorporation, shall begin on 1 January in each year.**

181. Amendment of Memorandum and Articles

Subject to the LawAct, the Company may at any time and from time to time by special resolution alter or amend its Memorandum of Association and Articles of Association in whole or in part.

NOTICE OF ANNUAL GENERAL MEETING



恒安國際集團有限公司*

HENGAN INTERNATIONAL GROUP CO.,LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1044)

Websites: <http://www.hengan.com>
<http://www.irasia.com/listcol/hk/hengan>

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of shareholders of Hengan International Group Company Limited (the “Company”) will be held at 22/F United Centre, 95 Queensway, Hong Kong by way of hybrid meeting on Friday, 20 May 2022 at 10:00 a.m. Shareholder will be denied entry to the venue of the AGM but will be able to join the AGM via Tencent Meeting for the following purposes:

1. To receive and consider the audited consolidated accounts and the reports of the directors and auditors for the year ended 31 December 2021;
2. To declare a final dividend for the year ended 31 December 2021;
3. To re-elect Mr. Sze Man Bok as an executive director;
4. To re-elect Mr. Hui Lin Chit as an executive director;
5. To re-elect Mr. Li Wai Leung as an executive director;
6. To re-elect Mr. Theil Paul Marin as an independent non-executive director;
7. To elect Mr. Chen Chuang as an independent non-executive director;
8. To authorise the board of directors to fix the remuneration of the directors;
9. To re-appoint auditors and authorise the board of directors to fix their remuneration;
10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such power, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such power after the end of the Relevant Period;

* for identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (aa) Rights Issue; or (bb) the exercise of rights of subscription or conversion under the terms of any warrants or other securities issued by the Company carrying a right to subscribe for or purchase shares of the Company; or (cc) the exercise of any option under any share option scheme of the Company adopted by its shareholders for the grant or issue to participants of the Company and/or any of its subsidiaries of options to subscribe for or rights to acquire shares of the Company; or (dd) any scrip dividend or other similar scheme implemented in accordance with the Articles of Association of the Company, shall not exceed 20% of the total aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval be limited accordingly; and
- (d) for the purpose of this Resolution, “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Company’s articles of association to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares or other securities open for a period fixed by the directors of the Company to holders of shares on the Register of Members of the Company on a fixed recorded date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements the directors of the Company may deem necessary or expedient in relation to fractional entitlements of having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

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

“**THAT:**

- (a) subject to sub-paragraph (b) of this Resolution, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase issued shares in the capital of the Company or any other rights to subscribe shares in the capital of the Company in each case on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) shall be in addition to any other authorization given to the directors of the Company and shall authorize the directors of the Company on behalf of the Company during the Relevant Period to procure the Company to purchase its securities at a price determined by the directors of the Company;
 - (c) the aggregate nominal amount of the ordinary share capital of the Company or any other rights to subscribe shares in the capital of the Company in each case which the directors of the Company are authorised to repurchase pursuant to the approvals in sub-paragraphs (a) and (b) of this Resolution shall not exceed 10% of the aggregate nominal amount of the ordinary share capital of the Company in issue on the date of the passing of this Resolution and the said approval shall be limited accordingly; and
 - (d) for the purpose of this Resolution, “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the articles of association of the Company to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”
12. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the general mandate referred to in Resolution No. 10 above be and is hereby extended by the addition to the aggregate nominal amount of share capital which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company since the granting of the general mandate referred to in Resolution No. 11 above and pursuant to the exercise by the directors of the powers of the Company to purchase such shares provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** the Memorandum and Articles of Association of the Company be and are hereby amended as detailed in the “Explanatory Statement on Proposed Amendments to the Memorandum and Articles of Association” which is contained in Appendix III to the circular of the Company dated 13 April 2022 and forms part of this Notice of Annual General Meeting and that the amended and restated Memorandum and Articles of Association produced to the meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved and adopted as the new memorandum and articles of association of the Company in substitution for the existing memorandum and articles of association of the Company.”

By order of the Board
Li Wai Leung
Company Secretary

Hong Kong, 13 April 2022

Notes:

- (1) Due to the recent development of the COVID-19 pandemic and in view of the latest Prevention and Control of Disease (Prohibition on Gathering) Regulation (Cap. 599G, laws of Hong Kong) and Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F, laws of Hong Kong) (together, the “**Regulations**”), the Board hereby announces that the AGM will be a hybrid meeting. The following special arrangements for the AGM will be put in place:
- (i) **The Shareholders are requested to attend the AGM by means of electronic facilities via Tencent Meeting. Any shareholder who does attempt to attend the AGM in person will be denied entry to the venue of the AGM and will be able to join the AGM via Tencent Meeting.**
 - (ii) Shareholders will still be able to vote by doing so in advance of the AGM by proxy. If a Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the chairman of the AGM as his/her/its proxy to attend and vote on his/her/its behalf at the AGM. If a Shareholder appoints a person who is not the chairman of the AGM as his/her/its proxy, that person will not be permitted entry to the AGM venue and will not be able to exercise your vote.
 - (iii) In appointing the Chairman of the AGM as proxy, a Shareholder (whether individual or corporate) must give specific instructions as to voting in the proxy form, and deposit the duly completed and signed proxy form together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority, at the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 10:00 a.m. on Wednesday, 18 May 2022 (being not less than forty-eight (48) hours before the AGM), failing which the appointment will be treated as invalid.
 - (iv) The AGM will be held by way of electronic means and a Shareholder will be able to observe the proceedings of the AGM through a Tencent live webcast of the AGM. A Shareholder who wishes to join the Tencent meeting (the “**AGM Tencent Meeting**”) must register by 10:00 p.m. on Wednesday, 18 May 2022 with Tricor Abacus Limited at “is-enquiries@hk.tricorglobal.com” or telephone hotline (852) 2980 1333.
 - (v) Following authentication of his/her/its status as Shareholder, authenticated Shareholders will receive an email with instructions illustrating how to join the AGM Tencent Meeting by 5:00 p.m. on Thursday, 19 May 2022.

NOTICE OF ANNUAL GENERAL MEETING

- (vi) A Shareholder who registers for the AGM Tencent Meeting may submit questions related to the resolutions to be tabled for approval at the AGM. Questions can be submitted by 10:00 p.m. on Wednesday, 18 May 2022 by email to Tricor Abacus Limited at “is-enquiries@hk.tricorglobal.com” or telephone hotline (852) 2980 1333. Shareholders can also raise questions during the AGM Tencent Meeting. The questions raised by Shareholders at the AGM Tencent Meeting and those submitted beforehand will be addressed at the AGM Tencent Meeting as far as possible.

Non-registered shareholders who hold shares in CCASS through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited (“HKSCC”) may also exercise their voting rights by appointing the chairman of the meeting. In addition, they can watch and listen to the AGM online and ask questions. In this regard, they should consult their bank, broker or custodian (as the case may be) directly to make the necessary arrangements.

- (vii) **Viewing the live streaming webcast of the AGM via Tencent Meeting will not be counted towards a quorum nor will they be able to cast their votes online.**
- (2) For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 17 May 2022 to Friday, 20 May 2022, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company should ensure that all the share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 16 May 2022.
- (3) For determining the entitlement to the proposed final dividend for the year ended 31 December 2021, the register of members of the Company will also be closed from Thursday, 26 May 2022 to Friday, 27 May 2022, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for entitlement to the proposed final dividend, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Abacus Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 25 May 2022.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to adopt further changes to the AGM arrangements at short notice. Shareholders are advised to check the websites of the Company (www.hengan.com) and HKEX (www.hkexnews.hk) for the latest announcement and information relating to the AGM.