
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular, 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 of Royale Home Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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ROYALE HOME HOLDINGS LIMITED

皇朝家居控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1198)

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE
BY THE COMPANY OF ITS OWN SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**
-

Terms used in this cover shall have the same meaning as those defined in the circular, unless the context requires otherwise.

A notice convening the AGM to be held at Room 607, 6/F, Tsim Sha Tsui Centre West Wing, 66 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 14 June 2024 at 3:00 p.m. is set out on pages AGM-1 to AGM-5 of this circular. A form of proxy for use at the AGM is also enclosed with this circular. Such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk.

Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and deposit the same at the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held to consider and, if thought fit, to approve, among other things, the proposed grant of the General Mandate and its extension and the Repurchase Mandate, and the proposed re-election of Directors
“Articles of Association”	the articles of association of the Company in force from time to time
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Company”	Royale Home Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot, issue, grant, distribute and otherwise deal with additional Shares up to a maximum of 20% of the total number of the Shares of the Company in issue at the date of the passing of such resolution
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	10 May 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to a maximum of 10% of the total number of the Shares of the Company at the date of passing such resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Hong Kong Securities and Futures Commission
“%”	per cent

LETTER FROM THE BOARD



ROYALE HOME HOLDINGS LIMITED

皇朝家居控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1198)

Executive Directors:

Mr. Lin Ruhai (*Chairman and Chief Executive Officer*)

Mr. Tse Kam Pang (*Co-Chairman*)

Non-executive Directors:

Mr. Wu Zhongming

Mr. Tao Ying

Mr. Yao Jingming

Ms. Yang Ying

Independent Non-executive Directors:

Mr. Lau Chi Kit

Mr. Yue Man Yiu Matthew

Mr. Chan Wing Tak Kevin

Registered office:

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Room 607, 6/F

Tsim Sha Tsui Centre West Wing

66 Mody Road, Tsim Sha Tsui East

Kowloon

Hong Kong

17 May 2024

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE
BY THE COMPANY OF ITS OWN SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

* For identification purposes only

LETTER FROM THE BOARD

INTRODUCTION

At the AGM to be held at Room 607, 6/F, Tsim Sha Tsui Centre West Wing, 66 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 14 June 2024 at 3:00 p.m., resolutions will be proposed, among other matters:

- (a) to grant the General Mandate to the Directors;
- (b) to grant the Repurchase Mandate to the Directors;
- (c) to grant an extension to the Directors to extend the General Mandate to include the Shares repurchased under the Repurchase Mandate; and
- (d) to re-elect the retiring Directors.

The purpose of this circular is to provide you with information in relation to the resolutions to be proposed at the AGM regarding the above and to give you the notice of the AGM.

GENERAL MANDATE AND ITS EXTENSION AND REPURCHASE MANDATE

General Mandate and its extension

At the last annual general meeting of the Company held on 9 June 2023, a general mandate was granted to the Directors to allot, issue and deal with additional Shares. Such mandate will lapse at the conclusion of the AGM. Two ordinary resolutions will accordingly be proposed at the AGM for the Shareholders to consider and, if thought fit, grant, respectively, the General Mandate and an extension of the General Mandate by adding any Shares representing the number of Shares repurchased by the Company after and subject to the granting of the Repurchase Mandate. The Company had in issue an aggregate of 2,598,561,326 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company would be allowed to allot and issue up to a maximum of 519,712,265 Shares, representing 20% of the total number of issued Shares at the time of the passing of the resolution approving the General Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM. Details of the General Mandate and its extension are set out in Resolutions 4 and 6 in the notice of the AGM set out on pages AGM-1 to AGM-5 of this circular.

The General Mandate is desirable as it gives the Directors flexibility and discretion to allot Shares where they believe it is in the best interest of the Shareholders to do so, in particular, pursuant to any capital raising or other strategic needs that may arise from time to time. The Directors have no immediate plans to issue any new Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

Repurchase Mandate

Under the Listing Rules, the Company is required to give Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution to grant the Repurchase Mandate to the Directors. The explanatory statement required by the Listing Rules to be included in this circular is set out in Appendix I to this circular.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are to be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 259,856,132 Shares.

The General Mandate and its extension and the Repurchase Mandate will expire upon until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, or any other applicable law of the Cayman Islands to be held; or
- (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors.

RE-ELECTION OF DIRECTORS

According to Article 87 of the Articles of Association, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to but not greater than one-third, shall retire from office by rotation at every annual general meeting of the Company. A retiring Director shall be eligible for re-election.

In accordance with Article 87 of the Articles of Association, each of Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew shall retire from their office as Directors by rotation but shall be eligible for re-election.

Mr. Yao Jingming has been appointed as a non-executive Director on 4 September 2023, Mr. Lin Ruhai has been appointed as an executive Director on 1 December 2023 and Ms. Yang Ying has been appointed as a non-executive Director on 1 December 2023. Pursuant to Article 86.3 of the Articles of Association, Mr. Lin Ruhai, Mr. Yao Jingming and Ms. Yang Ying shall hold office only until the next annual general meeting of the Company and shall be eligible for re-election. Accordingly, Mr. Lin Ruhai, Mr. Yao Jingming and Ms. Yang Ying will retire and being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

The Nomination Committee of the Board has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and the Company's policy for the nomination of Directors ("**Nomination Policy**"), the Company's corporate strategy, and the independence of independent non-executive Directors. The Nomination Committee has recommended to the Board the re-election of Mr. Lin Ruhai, Mr. Yao Jingming, Ms. Yang Ying, Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew at the AGM. In particular, the Company has reviewed the annual confirmations of independence from Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew. Recommendations to the Board for the proposed re-election of Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew as independent non-executive Directors were made by the Nomination Committee, after having reviewed their suitability with reference to the independence guidelines as set out in Rule 3.13 of the Listing Rules. The Nomination Committee has taken into account their time commitment and past contributions to the Company, their individual attributes (details as set out in their respective biographies in Appendix II to this circular) enhancing the Board's diversity as set out in the Board Diversity Policy adopted by the Company and their past record of involvement and participation in the affairs of the Company.

Pursuant to Code Provision A.4.3 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, if an independent non-executive director serves an issuer for more than nine (9) years, any further appointment of such an independent non-executive director shall be subject to a separate resolution to be approved by the shareholders. As Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew will be serving the Company as an independent non-executive Director for more than nine (9) years if he is re-elected at the AGM, a separate resolution will be proposed at the AGM to further appoint Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew as an independent non-executive Director.

Particulars relating to Mr. Lin Ruhai, Mr. Yao Jingming, Ms. Yang Ying, Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew are set out in Appendix II to this circular.

AGM

A notice of the AGM is set out on pages AGM-1 to AGM-5 of this circular. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the AGM shall be voted on by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy accompanying this circular in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM or adjournment thereof in person if you so wish.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the proposed grant of the General Mandate and the Repurchase Mandate, the extension of the General Mandate to the Shares repurchased pursuant to the Repurchase Mandate and the proposed re-election of retiring Directors are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the above resolutions to be proposed at the AGM.

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

The Directors believe that an exercise of the General Mandate to allot and issue new Shares will enable the Company to take advantage of market conditions to raise additional capital for and/or as a means of payment by the Company.

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.

GENERAL

Your attention is drawn to the information set out in the appendices to this circular.

Yours faithfully,

For and on behalf of the board of Directors of

Royale Home Holdings Limited

Lin Ruhai

Chairman, Executive Director and Chief Executive Officer

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. REPURCHASE OF SECURITIES FROM CONNECTED PERSONS

The Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling his/her/its securities to the Company on the Stock Exchange.

None of the Directors and, to the best of the knowledge of the Directors having made all reasonable enquiries, their respective close associates have any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company. None of the core connected persons of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company have has any such core connected persons undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is granted to the Directors.

The Company confirms that neither this explanatory statement nor the proposed share repurchase under the Repurchase Mandate has any unusual features.

2. SHARE CAPITAL

As at the Latest Practicable Date, the number of issued shares of the Company was 2,598,561,326 Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are to be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 259,856,132 Shares.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASE

Pursuant to the Repurchase Mandate, repurchase would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under the Cayman Islands law and the Articles of Association for such purpose.

The laws of the Cayman Islands provide that the amount of capital repaid in connection with a share repurchase may only be paid out of those funds legally permitted to be utilised in this connection, including capital paid up on the relevant shares, or out of funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company otherwise available for dividend or distribution or out of the share premium account of the Company.

5. FINANCIAL EFFECT OF REPURCHASES

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company (as compared with the position disclosed in its latest published audited accounts as at 31 December 2023). The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company which in the opinion of the Directors are from time to time appropriate.

6. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
April	1.940	1.670
May	1.900	1.530
June	1.750	1.400
July	1.600	1.220
August	1.570	1.270
September	1.500	1.360
October	1.480	1.300
November	1.810	1.340
December	1.600	1.100
2024		
January	1.490	0.870
February	0.960	0.600
March	0.900	0.790
April	0.800	0.800
May (up to the Latest Practicable Date)	0.800	0.710

7. MINIMUM PUBLIC HOLDING AND TAKEOVERS CODE IMPLICATIONS

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, so far as the Directors are aware the Company had been notified that the following Shareholders were interested in more than 10% of the Shares then in issue:

Name	Notes	Interest held			Total	Approximate	Approximate
		Directly beneficially owned	through corporation controlled	Interest held jointly with other persons		percentage of interest in the Shares as at the Latest Practicable Date	percentage of interest in the Shares if the Repurchase Mandate is exercised in full
Science City (Guangzhou) Investment Group Co., Ltd.* (科學城(廣州)投資集團有限公司)	(a, b)	-	1,945,391,280	-	1,945,391,280	74.86%	83.18%
Science City (Hong Kong) Investment Co. Limited ("SCHK")	(a, b)	1,234,862,964	-	710,528,316	1,945,391,280	74.86%	83.18%
Mr. Tse Kam Pang ("Mr. Tse")	(b)	282,948,047	427,580,269	1,234,862,964	1,945,391,280	74.86%	83.18%
Crisana International Inc. ("Crisana")	(b)	165,840,120	-	1,779,551,160	1,945,391,280	74.86%	83.18%
Charming Future Holdings Limited ("Charming Future")	(b)	209,768,922	-	1,735,622,358	1,945,391,280	74.86%	83.18%
Leading Star Global Limited ("Leading Star")	(b)	51,971,227	-	1,893,420,053	1,945,391,280	74.86%	83.18%

Notes:

- (a) SCHK is wholly owned by Science City (Guangzhou) Investment Group Co., Ltd.* (科學城(廣州)投資集團有限公司), a company established in the People's Republic of China (the "PRC") with limited liability on 21 August 1984. As such, Science City (Guangzhou) Investment Group Co., Ltd.* (科學城(廣州)投資集團有限公司) was deemed to be interested in 1,945,391,280 Shares under Part XV of the SFO. The ultimate beneficial owner of Science City is the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會).

* For identification purposes only

- (b) On 24 May 2019, SCHK, Mr. Tse, Leading Star, Crisana and Charming Future (the “**Concert Group**”) entered into an acting in concert arrangement. SCHK, Mr. Tse, Leading Star, Crisana and Charming Future are parties acting in concert (having the meaning ascribed to it under the Takeovers Code). As such, SCHK, Mr. Tse, Leading Star (being wholly owned by Mr. Tse), Crisana (being wholly owned by Mr. Tse) and Charming Future (being wholly owned by Mr. Tse) are deemed to be interested in 74.86% of the issued share capital of the Company.

In the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the Concert Group would be increased to approximately the percentage shown in the last column above and the Directors are not aware that such increase will give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as disclosed above, the Directors are not aware of any other consequences which may arise under the Takeovers Code as consequences of any purchase made under the Repurchase Mandate.

The Directors do not intend to exercise the power to purchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Company will also not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

8. SHARES REPURCHASE MADE BY THE COMPANY

No repurchase of Shares were made by the Company (whether on the Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

9. DIRECTORS’ UNDERTAKING

The Directors will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of the Cayman Islands.

The details of the Directors who will retire from office at the AGM and being eligible, offer themselves for re-election at the AGM, are set out below:

MR. LIN RUHAI (“MR. LIN”) – EXECUTIVE DIRECTOR**Experience**

Mr. Lin, aged 41, graduated from Zhejiang Normal University with a major in business administration in 2018. He is currently the chairman of the board of directors of Guangzhou Science City Venture Capital Co., Ltd.* (廣州科學城創業投資管理有限公司), which is a subsidiary of Science City. He was also the general manager of the same company from 2018 to 2023. From 2016 to 2018, he was the deputy general manager of the financial department of Guangzhou Hi-tech Investment Group Co., Ltd.* (廣州高新區投資集團有限公司) and the general manager of Guangzhou Guoju Risk Investment Co., Ltd.* (廣州國聚風險投資有限公司). He worked with China Construction Bank (Guangzhou Development Zone Branch) as a client manager from 2006 to 2016. Mr. Lin has over a decade of experience in corporate management and equity investment. He holds the qualification of a licensed fund practitioner in the PRC. Mr. Lin was appointed as an executive Director of the Company and Chief Executive Officer on 1 December 2023.

Length of service

Mr. Lin has entered into a director’s service agreement with the Company for a fixed term of three years with effect from 1 December 2023. His appointment will be subject to retirement by rotation every three years and re-election by the Shareholders pursuant to the Articles of Association.

Director’s emoluments

Mr. Lin does not receive any remuneration for acting as an executive director. He is entitled to other benefits, which is determined by the Board at the recommendation of the remuneration committee of the Company with reference to his duties and responsibilities within the Company, the Company’s remuneration policy and the prevailing market conditions.

Relationships

Apart from being an executive Director, Mr. Lin did not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company, or their respective associates as at the Latest Practicable Date.

* For identification purposes only

Interests in Shares

As at the Latest Practicable Date, Mr. Lin did not have any interest and was not deemed to have any interests, in the Shares within the meaning of Part XV of the SFO.

Positions and experience

Save as disclosed, as at the Latest Practicable Date, Mr. Lin did not hold any position with the Company and other members of the Group or other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

MR. YAO JINGMING (“MR. YAO”) – NON-EXECUTIVE DIRECTOR**Experience**

Mr. Yao, aged 41, graduated from Guangdong Normal Polytechnic* (廣東技術師範學院) (currently known as Guangdong Polytechnic Normal University) with a major in accountancy in 2008. He is currently a supervisor of the audit division of Science City. He worked as a deputy supervisor of the audit division of Science City from February 2020 before his promotion to supervisor in April 2022. From June 2017 to March 2019, he was an investment director at Guangdong Lesso Environmental Enterprise Management Co., Ltd.* (廣東聯塑環保企業管理有限公司). He held the positions of a senior investment manager of Foshan Beijing Enterprises Water Environment Development Co., Ltd.* (佛山北控水環境開發有限公司) from January 2017 to June 2017 and an external audit supervisor of the supervision and audit department of Beijing Enterprises Water Group Limited (a company the shares of which are listed on the Main Board of the Stock Exchange (stock code: 371)) from October 2015 to January 2017. He worked with Guangdong Zexin Accountant Firm Co., Ltd.* (廣東澤信會計師事務所有限公司) from July 2008 to October 2015 with last position as an audit manager. He is a senior auditor in the PRC. Mr. Yao was appointed as a non-executive Director of the Company on 4 September 2023.

Length of service

Mr. Yao has entered into a director’s appointment letter with the Company for a fixed term of three years with effect from 4 September 2023. His appointment will be subject to retirement by rotation every three years and re-election by the Shareholders pursuant to the Articles of Association.

Director’s emoluments

Mr. Yao does not receive any remuneration for acting as a non-executive Director. He is entitled to other benefits, which is determined by the Board at the recommendation of the

* For identification purposes only

remuneration committee of the Company with reference to his duties and responsibilities within the Company, the Company's remuneration policy and the prevailing market conditions.

Relationships

Apart from being a non-executive Director, Mr. Yao did not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company, or their respective associates as at the Latest Practicable Date.

Interests in Shares

As at the Latest Practicable Date, Mr. Yao did not have any interest and was not deemed to have any interests, in the Shares within the meaning of Part XV of the SFO.

Positions and experience

Save as disclosed, as at the Latest Practicable Date, Mr. Yao did not hold any position with the Company and other members of the Group or other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

MS. YANG YING (“MS. YANG”) – NON-EXECUTIVE DIRECTOR**Experience**

Ms. Yang, aged 42, graduated from Zhongnan University of Economics and Law with a bachelor's degree in law in 2003 and awarded a master's degree in law (major in civil and commercial law) by Sun Yat-sen University in 2011. She has worked with Science City as a deputy general manager of the legal and risk management (compliance management) department from 2021 to 2023 and a senior manager of the asset operations management department from 2018 to 2021, respectively. She was a legal manager of SYNSUN Health Enterprises Co., Ltd.* (聖原健康產業有限公司) from 2017 to 2018. From 2006 to 2017, she held the position of legal director (intellectual property management) at Guangdong Revenco Enterprises Co., Ltd.* (廣東立信企業有限公司). She was a legal assistant at Heungkong Group Co., Ltd.* (香江集團有限公司) from 2004 to 2006. She has over 20 years of experience in practicing company law. She holds the Legal Professional Qualification awarded by the Ministry of Justice of the PRC. Ms. Yang was appointed as a non-executive Director of the Company on 1 December 2023.

Length of service

Ms. Yang has entered into a director's appointment letter with the Company for a fixed term of three years with effect from 1 December 2023. Her appointment will be subject to

* *For identification purposes only*

retirement by rotation every three years and re-election by the Shareholders pursuant to the Articles of Association.

Director's emoluments

The remuneration payable to Ms. Yang is RMB307,963 per year and she is also entitled to other benefits, which is determined by the Board at the recommendation of the remuneration committee of the Company with reference to her duties and responsibilities within the Company, the Company's remuneration policy and the prevailing market conditions.

Relationships

Apart from being a non-executive Director, Ms. Yang did not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company, or their respective associates as at the Latest Practicable Date.

Interests in Shares

As at the Latest Practicable Date, Ms. Yang did not have any interest and was not deemed to have any interests, in the Shares within the meaning of Part XV of the SFO.

Positions and experience

Save as disclosed, as at the Latest Practicable Date, Ms. Yang did not hold any position with the Company and other members of the Group or other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

MR. LAU CHI KIT ("MR. LAU") – INDEPENDENT NON-EXECUTIVE DIRECTOR**Experience**

Mr. Lau, aged 79, retired from The Hongkong and Shanghai Banking Corporation Limited ("HSBC") in December 2000 after more than 35 years of service. Among the major positions in HSBC, he was the assistant general manager and head of Personal Banking Hong Kong and assistant general manager and head of Strategic Implementation, Asia-Pacific Region. He is a fellow of the Hong Kong Institute of Bankers ("Institute"). He was the chairman of the Institute's Executive Committee (from January 1999 to December 2000) and is currently the honorary advisor of the Institute's Executive Committee. He served as a member on a number of committees appointed by the Government of the Hong Kong Special Administration Region, including the Advisory Council on the Environment (from October 1998 to December 2001), the Advisory Committee on Human Resources Development in the Financial Services Sector (from June 2000 to May 2001), the Corruption Prevention Advisory Committee of the Independent Commission Against Corruption (from January 2000 to December 2003), the Environment and

Conservation Fund Committee (from August 2000 to October 2006), the Innovation and Technology Fund (Environment) Projects Vetting Committee (from January 2000 to December 2004) and the Law Reform Commission's Privacy Sub-committee (from February 1990 to March 2006). He also served as chairman of the Business Environment Council Limited (from September 1998 to December 2001). Currently, he is an independent non-executive director of Leoch International Technology Limited (stock code: 842) and Hin Sang Group (International) Holding Company Limited (stock code: 6893). Mr. Lau has been appointed as an independent non-executive Director of the Company since 6 September 2011.

Length of service

Mr. Lau has entered into a director's appointment letter with the Company for a fixed term of three years with effect from 6 September 2011. His appointment will be subject to retirement by rotation every three years and re-election by the Shareholders pursuant to the Articles of Association.

Director's emoluments

The remuneration payable to Mr. Lau is HK\$240,000 per year. He is also entitled to other benefits. All his emoluments are determined by the Board at the recommendation of the remuneration committee of the Company with reference to his duties and responsibilities within the Company, the Company's remuneration policy and the prevailing market conditions.

Relationships

Apart from being an independent non-executive Director, Mr. Lau did not have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company, or their respective associates as at the Latest Practicable Date.

Interests in Shares

As at the Latest Practicable Date, Mr. Lau did not have any interest and was not deemed to have any interests, in the Shares within the meaning of Part XV of the SFO.

Others

Mr. Lau has been serving the Company as an independent non-executive Director for more than nine years since September 2011. The Board appreciates the importance of observing the Corporate Governance Code, and seeks to conduct itself in compliance with the underlying principles in relation to tenure of office of a Director. The Board understands and strives to strike an appropriate balance between continuity of experience and quality advice and guidance arising from familiarity with the affairs of the Company and the necessity of board refreshment and succession planning. The Board considers that although, as stated in the Corporate Governance Code, serving on the Board for more than nine years could be relevant to the

determination of the appropriateness of the re-election of an independent non-executive Director, it may not be meaningful to or to the benefit of the Company to determine an individual's appropriateness and independence arbitrarily on the basis of his/her service for a specified period of time (e.g. nine years).

The Board adopts a qualitative approach in assessing a candidate's independence and appropriateness with reference to the overall assessment of all the attributes associated with the recommendation for re-election of an individual. In the process of assessing his independence, each of the factors referred to in Listing Rule 3.13(1) to (8) has been confirmed. In line with this, the Company recognizes the continued independence of Mr. Lau under Rule 3.13 of the Listing Rules. Serving as an independent non-executive Director, Mr. Lau has brought high standards of corporate governance to the Company and contributed objectively in advising, as well as monitoring and mentoring the management of the Company. Being familiar with the corporate values of the Company, the presence of Mr. Lau has enhanced these values by his sustained development of a strong advisory relationship with the Company. Mr. Lau has also provided the Company with his annual independence confirmation in accordance with Rules 3.13 of the Listing Rules. The Directors consider that continued tenure brings considerable stability to the Board and the Board has benefited greatly from the presence of Mr. Lau, who has over time gained valuable insight into the Group, the industry in which it operates, the ordinary affairs associated with its business and its markets. Apart from Mr. Lau's historical valuable contribution to the Group and his experiences accumulated with regard to the affairs of the Group, in assessing the re-election of Mr. Lau as an independent non-executive Director, the nomination committee of the Company and the Board have also considered Mr. Lau's expertise and professional qualifications in the fields of accounting, finance, management and corporate governance with reference to the selection criteria under the Nomination Policy. The Board has also taken in account Mr. Lau's continuous efforts in personal and professional development in the fields of accounting, finance, securities and management, and the holistic view and insight he possesses by way of sitting in the board of directors of other listed company(ies) in Hong Kong (which the Company may make use of), Mr. Lau's character and integrity as a professional who is constantly involved in and bound by professional rules of conduct for the provision of impartial advice to others despite long-established relationships, and Mr. Lau's active involvement in scrutinizing the corporate governance and internal control of the Company. In light of the analysis above, the Board believes that it would be in the overall best interest of the Group that Mr. Lau be recommended for re-election after a careful balancing exercise conducted by the Nomination Committee and the Board.

Positions and experience

Save as disclosed, as at the Latest Practicable Date, Mr. Lau did not hold any position with the Company and other members of the Group or other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

**MR. YUE MAN YIU MATTHEW (“MR. YUE”) – INDEPENDENT NON-EXECUTIVE
DIRECTOR****Experience**

Mr. Yue, aged 62, has been the chief financial officer of Ko Shi Wai Holdings Limited since September 2009. He has been a director of China-Link Capital Management Limited since September 2009 and was the chief financial officer of the same firm from August 2005 to August 2009. He is currently an independent non-executive director of a Hong Kong listed company, namely, Classified Group (Holdings) Limited (Stock Code: 8232). He graduated from the Chinese University of Hong Kong with a bachelor degree in business administration in 1984. He is a fellow of the Association of Chartered Certified Accountants, a fellow of the Hong Kong Institute of Certified Public Accountants and a member of the Hong Kong Securities Institute. He has extensive experience in financial control, project analysis and management functions and has the related financial expertise. Mr. Yue has been appointed as an independent non-executive Director of the Company since 17 November 2011.

Length of service

He has entered into a director’s appointment letter with the Company for a fixed term of three years with effect from 17 November 2011. His appointment will be subject to retirement by rotation every three years and re-election by the Shareholders pursuant to the Articles of Association.

Director’s emoluments

The remuneration payable to Mr. Yue is HK\$240,000 per year and also entitled to other benefits. All his emoluments are determined by the Board at the recommendation of the remuneration committee of the Company with reference to his duties and responsibilities within the Company, the Company’s remuneration policy and the prevailing market conditions.

Relationships

Apart from being an independent non-executive Director, Mr. Yue did not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company, or their respective associates as at the Latest Practicable Date.

Interests in Shares

Mr. Yue is beneficially interested in 3,000,000 Shares. Save as disclosed, as at the Latest Practicable Date, Mr. Yue did not have any other interest and was not deemed to have any interests, in the Shares within the meaning of Part XV of the SFO.

Others

Mr. Yue has been serving the Company as an independent non-executive Director for more than nine years since November 2011. The Board appreciates the importance of observing the Corporate Governance Code, and seeks to conduct itself in compliance with the underlying principles in relation to tenure of office of Director. The Board understands and strives to strike an appropriate balance between continuity of experience and quality advice and guidance arising from familiarity with the affairs of the Company and the necessity of board refreshment and succession planning. The Board considers that although, as stated in the Corporate Governance Code, serving on the Board for more than nine years could be relevant to the determination of the appropriateness of the re-election of an independent non-executive Director, it may not be meaningful to or to the benefit of the Company to determine an individual's appropriateness and independence arbitrarily on the basis of his/her service for a specified period of time (e.g. nine years).

The Board adopts a qualitative approach in assessing a candidate's independence and appropriateness with reference to the overall assessment of all the attributes associated with the recommendation for re-election of an individual. In the process of assessing his independence, each of the factors referred to in Listing Rule 3.13(1) to (8) has been confirmed. In line with this, the Company recognizes the continued independence of Mr. Yue under Rule 3.13 of the Listing Rules. Serving as an independent non-executive Director, Mr. Yue has brought high standards of corporate governance to the Company and contributed objectively in advising, as well as monitoring and mentoring the management of the Company. Being familiar with the corporate values of the Company, the presence of Mr. Yue has enhanced these values by his sustained development of a strong advisory relationship with the Company. Mr. Yue has also provided the Company with his annual independence confirmation in accordance with Rules 3.13 of the Listing Rules. The Directors consider that continued tenure brings considerable stability to the Board and the Board has benefited greatly from the presence of Mr. Yue, who has over time gained valuable insight into the Group, the industry in which it operates, the ordinary affairs associated with its business and its markets. Apart from Mr. Yue's historical valuable contribution to the Group and his experiences accumulated with regard to the affairs of the Group, in assessing the re-election of Mr. Yue as an independent non-executive Director, the nomination committee of the Company and the Board has also considered Mr. Yue's expertise and professional qualifications in the fields of accounting, finance, management and corporate governance with reference to the selection criteria under the Nomination Policy. The Board has also taken in account Mr. Yue's continuous efforts in personal and professional development in the fields of accounting, finance, securities and management, and the holistic view and insight he possesses by way of sitting in the board of directors of other listed company(ies) in Hong Kong (which the Company may make use of), Mr. Yue's character and integrity as a professional who is constantly involved in and bound by professional rules of conduct for the provision of impartial advice to others despite long-established relationships, and Mr. Yue's active involvement in scrutinizing the corporate governance and internal control of the Company. In light of the analysis above, the Board believes that it would be in the overall best interest of the

Group that Mr. Yue be recommended for re-election after a careful balancing exercise conducted by the Nomination Committee and the Board.

Positions and experience

Save as disclosed, as at the Latest Practicable Date, Mr. Yue did not hold any position with the Company and other members of the Group or other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed, as at the Latest Practicable Date, there was no information relating to the above-mentioned Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there was no other matter that needs to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



ROYALE HOME HOLDINGS LIMITED

皇朝家居控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1198)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Royale Home Holdings Limited (the “**Company**”) will be held at Room 607, 6/F, Tsim Sha Tsui Centre West Wing, 66 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 14 June 2024 at 3:00 p.m. to transact the following ordinary business:

1. to receive and consider the audited consolidated financial statements and reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 December 2023;
2.
 - (a) to re-elect Mr. Lin Ruhai as an executive Director;
 - (b) to re-elect Mr. Yao Jingming as a non-executive Director;
 - (c) to re-elect Ms. Yang Ying as a non-executive Director;
 - (d) to re-elect Mr. Lau Chi Kit (who has served the Company as an independent non-executive Director for more than nine years) as an independent non-executive Director;
 - (e) to re-elect Mr. Yue Man Yiu Matthew (who has served the Company as an independent non-executive Director for more than nine years) as an independent non-executive Director; and
 - (f) to authorise the board of Directors to fix the Directors’ remuneration;
3. to re-appoint auditors and to authorise the board of Directors to fix their remuneration,

* *For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING

and, as special business, to consider and, if thought fit, passing the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

4. “**THAT:**

- (a) subject to paragraph (c) below, pursuant and subject to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue, grant, distribute and deal with new shares of the Company (the “**Shares**”) and to make, issue or grant offers, agreements, options (including bonds, warrants and debentures convertible into Shares) and rights of exchange or conversion, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make, issue or grant offers, agreements, options (including bonds, warrants and debentures convertible into Shares) and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of the Shares allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to options, conversion or otherwise), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme or similar arrangement of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the total number of the Shares of the Company in issue on the date of the passing of this resolution; and
 - (bb) (provided that resolution no. 6 is passed) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the total number of the Shares of the Company in issue on the date of the passing of this resolution),

NOTICE OF ANNUAL GENERAL MEETING

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes 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;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. “**THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange under the Hong Kong Code on Share Buy-backs for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase the Shares at a price determined by the Directors;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the total number of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the total number of the Shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes 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;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
6. “**THAT** subject to the ordinary resolutions nos. 4 and 5 above being duly passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue, grant, distribute and deal with new Shares pursuant to resolution no. 4 above be and is hereby extended by the addition thereon of an amount representing the total number of the Shares of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5, provided that such amount shall not exceed 10% of the total number of the issued Shares on the date of the passing of resolution no. 5.”

By order of the Board

Royale Home Holdings Limited

Lin Ruhai

Chairman, Executive Director and Chief Executive Officer

Hong Kong, 17 May 2024

Registered office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Room 607, 6/F
Tsim Sha Tsui Centre West Wing
66 Mody Road, Tsim Sha Tsui East
Kowloon
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.

The Register of Members of the Company will be closed from Tuesday, 11 June 2024 to Friday, 14 June 2024, both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at annual general meeting. In order to be eligible to attend and vote at the forthcoming annual general meeting to be held on Friday, 14 June 2024, all transfers documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 7 June 2024.

3. In relation to proposed resolution no. 2 above, Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew will retire from their offices as Directors at the above meeting pursuant to article 87 of the articles of association of the Company, and Mr. Yao Jingming, Mr. Lin Ruhai and Ms. Yang Ying will retire from their office as a Director at the above meeting pursuant to article 86.3 of the articles of association of the Company. Mr. Lin Ruhai, Mr. Yao Jingming, Ms. Yang Ying, Mr. Lau Chi Kit and Mr. Yue Man Yiu Matthew being eligible, will offer themselves for re-election.
4. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares under The Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**"). The Directors have no immediate plans to issue any Shares other than any scrip dividend scheme as may be approved by shareholders.
5. In relation to proposed resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to the circular.
6. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions proposed at the annual general meeting shall be voted by poll.