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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

**If you have sold or transferred** all your shares in **China Tontine Wines Group Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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# TONTINE

## CHINA TONTINE WINES GROUP LIMITED

中國通天酒業集團有限公司

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 389)**

### GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES RE-ELECTION OF DIRECTORS PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME AND NOTICE OF ANNUAL GENERAL MEETING

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A notice convening the Annual General Meeting to be held at the head office of the Company at No. 2199, Tuanjie Road, Tonghua County, Jilin Province, The People's Republic of China at 3:00 p.m. on Friday, 10 May 2019 is set out on pages N-1 to N-7 of this circular.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed with this circular for despatch to the Shareholders. Whether or not you intend to attend and/or vote at the Annual General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not later than 48 hours (i.e. 3:00 p.m. on Wednesday, 8 May 2019) before the time for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

29 March 2019

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## DEFINITIONS

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

“Adoption Date”	the date of adoption of the New Share Option Scheme by the Shareholders
“Annual General Meeting”	the annual general meeting of the Company to be convened and held at the head office of the Company at No. 2199, Tuanjie Road, Tonghua County, Jilin Province, The People’s Republic of China, Hong Kong on Friday, 10 May 2019 at 3:00 p.m. or any adjournment thereof (as the case may be), the notice of which is set out on pages N-1 to N-7 of this circular
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for business of dealing in securities
“Buy-back Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to buy-back Shares, the aggregate number of which shall not exceed 10% of the aggregate number of Shares in issue as at the date of passing the relevant resolutions at the Annual General Meeting
“BVI”	the British Virgin Islands
“Bye-laws”	the bye-laws of the Company as altered from time to time
“close associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Companies Act”	the Companies Act 1981 of Bermuda, as amended, supplemented or modified from time to time
“Company”	China Tontine Wines Group Limited, an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange

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## DEFINITIONS

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“core connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Eligible Participant(s)”	the classes of participants (as more particularly referred to in paragraph (2) of Appendix III – “Principal Terms of the New Share Option Scheme” to this circular) who are eligible to participate in the New Share Option Scheme
“Existing Share Option Scheme”	the existing share option scheme of the Company adopted on 19 November 2009, which is to expire on 18 November 2019
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares bought back under the Buyback Mandate will be added to the total number of Shares which may be allotted, issued and dealt with under the General Mandate
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares up to a maximum of 20% of the aggregate number of Shares in issue as at the date of passing of the ordinary resolution in relation thereto at the Annual General Meeting
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Branch Share Registrar”	Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong
“Latest Practicable Date”	25 March 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr Wang”	Mr Wang Guangyuan, the chairman, an executive Director and the chief executive officer of the Company, as well as the controlling shareholder of the Company
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix III to this circular
“Nomination Committee”	the nomination committee established by the Board (comprising Mr Lai Chi Keung, Albert (Chairman of the Nomination Committee), Mr Wang Guangyuan and Mr Yang Qiang)
“Options”	share option(s) that may be granted under the New Share Option Scheme by the Board to the Eligible Participants with rights to subscribe for Shares at a pre-determined subscription price in accordance with the New Share Option Scheme
“PRC”	the People’s Republic of China (for purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Up Mount”	Up Mount International Limited, a limited liability company incorporated in the BVI, the entire issued share capital of which is directly owned by Mr Wang
“Wing Move”	Wing Move Group Limited, a limited liability company incorporated in the BVI, the entire issued share capital of which is directly owned by Mr Zhang Hebin, an executive Director
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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## **RESPONSIBILITY STATEMENT**

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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.

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## LETTER FROM THE BOARD

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**TONTINE**  
**CHINA TONTINE WINES GROUP LIMITED**  
**中國通天酒業集團有限公司**  
*(incorporated in Bermuda with limited liability)*  
**(Stock Code: 389)**

*Executive Directors:*

Mr Wang Guangyuan (*Chairman*)  
Mr Zhang Hebin  
Ms Wang Lijun

*Independent non-executive Directors:*

Mr Cheng Vincent  
Mr Lai Chi Keung, Albert  
Mr Yang Qiang

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

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

Room 1703, 17th Floor  
COFCO Tower  
No. 262 Gloucester Road  
Causeway Bay  
Hong Kong

29 March 2019

*To the Shareholders*

Dear Sir or Madam

**GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES**  
**RE-ELECTION OF DIRECTORS**  
**PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The primary purposes of this circular are to provide you with information regarding certain ordinary resolutions to be proposed at the Annual General Meeting to enable Shareholders to make an informed decision on whether to vote for or against those resolutions and to give you notice of the Annual General Meeting.



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## LETTER FROM THE BOARD

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The resolutions to be proposed at the Annual General Meeting, in addition to ordinary business, include (i) ordinary resolutions relating to the proposed grant of the General Mandate, the Buy-back Mandate and the Extension Mandate, (ii) ordinary resolutions relating to the proposed re-election of Directors and (iii) ordinary resolution relating to the proposed adoption of New Share Option Scheme.

### **GRANT OF GENERAL MANDATE, BUY-BACK MANDATE AND EXTENSION MANDATE**

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and buy-back mandate to exercise all powers of the Company to buy-back issued Shares. The maximum number of Shares that may be bought back pursuant to the Buy-back Mandate will be such number which represents 10% of the aggregate number of Shares in issue as at the date of passing of the relevant resolution subject to the Listing Rules.

The Buy-back Mandate will lapse on the earliest of (i) the date of the next annual general meeting, or (ii) the date by which the next annual general meeting of the Company is required to be held by law and/or the Bye-laws, or (iii) the date on which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

The explanatory statement required by the Listing Rules to be sent to Shareholders in connection with the proposed resolution to grant to the Directors the Buy-back Mandate is set out in Appendix I to this circular. This contains all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution.

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to allot, issue and deal with further Shares representing up to 20% of the aggregate number of Shares in issue as at the date of passing of the relevant resolution.

Subject to the passing of the ordinary resolution of the Buy-back Mandate and the General Mandate, an ordinary resolution will also be proposed to authorise the Directors to issue new Shares in an amount not exceeding the aggregate number of the Shares bought back pursuant to the Buy-back Mandate.

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## LETTER FROM THE BOARD

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Based on 2,013,018,000 Shares in issue as at the Latest Practicable Date and on the basis that no new Shares will be issued and no Shares will be bought back by the Company for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting:

- (1) subject to the passing of the proposed resolution granting the General Mandate to the Directors, the Company will be allowed under the General Mandate to issue up to a maximum of 402,603,600 Shares, representing 20% of the Shares in issue as at the Latest Practicable Date; and
- (2) subject to the passing of the proposed resolution granting the Buy-back Mandate to the Directors, the Company will be allowed under the Buy-back Mandate to buy-back up to a maximum of 201,301,800 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date.

The Directors wish to state that they have no immediate plans to buy-back any Shares or to allot and issue any new Shares, other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

### RE-ELECTION OF DIRECTORS

#### Board of Directors

As at the Latest Practicable Date, the Board consisted of six Directors, namely:

Executive Directors	Date of appointment
Mr Wang Guangyuan	8 September 2008
Mr Zhang Hebin	8 September 2008
Ms Wang Lijun	2 May 2017

#### Independent non-executive Directors

Mr Cheng Vincent	17 November 2018
Mr Lai Chi Keung, Albert	28 October 2009
Mr Yang Qiang	15 January 2016

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## LETTER FROM THE BOARD

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### **Directors proposed to be re-elected**

According to Bye-law 108(A) of the Bye-laws, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three (3), then the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he or she retired.

Further, according to Bye-law 112 of the Bye-laws, any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board).

By virtue of Bye-law 108(A), Mr Wang Guangyuan and Mr Lai Chi Keung, Albert will retire and each of them being eligible, will offer himself for re-election at the Annual General Meeting.

By virtue of Bye-law 112, the office of Mr Cheng Vincent will end at the Annual General Meeting and, being eligible, will offer himself for re-election at the Annual General Meeting.

The biographical and other information on each of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### **Nomination policy**

To ensure a balance of skills, experience and diversity of perspectives appropriate to the requirements of the business of the Group among members of the Board, the nomination of Directors for re-appointment at the Annual General Meeting were made by the Nomination Committee in accordance with the nomination policy adopted by the Company and the selection criteria as set out in the diversity policy of the Company (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service).

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## LETTER FROM THE BOARD

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### **Recommendation of the Nomination Committee**

The Nomination Committee had nominated Mr Wang Guangyuan, Mr Lai Chi Keung, Albert and Mr Cheng Vincent to the Board for the Board to make recommendation to the Shareholders for re-election at the Annual General Meeting, having reviewed the composition of the Board and having regard to the Retiring Directors' professional experience, skills, knowledge and/or length of service, their commitment to their respective roles and functions, and their respective contributions brought and to be brought to the Group.

Further and on the re-appointment of the two independent non-executive Directors, the Nomination Committee considered, and the Board shared the same views, that at all times during the period of directorship with the Company, Mr Lai Chi Keung, Albert and Mr Cheng Vincent had each properly discharged his duties and responsibilities as an independent non-executive Director and had made positive contribution to the development to the Company through independent, constructive and informed comments and participation at the business and other affairs relating to the Group. The Nomination Committee, as well as the Board, were satisfied with the independence of Mr Lai Chi Keung, Albert and Mr Cheng Vincent, having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules and the annual confirmation given by each of them to the Company on his independence.

Mr Wang Guangyuan and Mr Lai Chi Keung, Albert, being two of the members of the Nomination Committee, each abstained from voting at the meeting of the Nomination Committee when his own nomination was being considered.

### **PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME**

#### **Existing Share Option Scheme**

The Existing Share Option Scheme, which was adopted by the Company on 19 November 2009, will expire on 18 November 2019. No further options can be granted under the Existing Share Option Scheme consequent upon its termination. Subject to the termination of the operation of the Existing Share Option Scheme, the Board proposes to adopt the New Share Option Scheme, which will be valid for 10 years from the date of its adoption.

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## LETTER FROM THE BOARD

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### Outstanding options under the Existing Share Option Scheme

As at the Latest Practicable Date, Options granted under the Existing Share Option Scheme to subscribe for 66,200,000 Shares (representing approximately 3.29% of the Shares in issue as at the Latest Practicable Date) remained outstanding, the details of which are set out below:

	(A) Date of grant	(B) Exercisable Period	(C) Exercise price per Share (HK\$)	(D) Number of Options held
<b>Director(s)</b>				
Wang Guangyuan	9 May 2016	9 May 2016 to 8 May 2021	0.263	16,550,000
<b>Employee(s)</b>				
Employee	9 May 2016	9 May 2016 to 8 May 2021	0.263	49,650,000
<b>Total</b>				<b>66,200,000</b>

All options granted pursuant to the Existing Share Option Scheme prior to its termination shall remain valid and exercisable in accordance with the provisions of the Existing Share Option Scheme.

### Reasons for the proposed adoption of the New Share Option Scheme

The Directors consider that the New Share Option Scheme will (i) provide the Board with flexible and effective means to attract, retain and/or reward professionals, executives, employees of high calibre or appropriate qualification and experience or other selected Eligible Participants whom the Board considers are significant to and/or whose contributions are or will be beneficial to the growth of the Group, (ii) generate greater drive and effectiveness to contribute to the Group and incentivize the level of performance; (iii) help strengthen the Group's business relationship and (iv) thereby gaining a more competitive edge for the sustainable development of the Group.

Further, the Directors believe that the authority given to the Board under the New Share Option Scheme to determine the eligibility of any Eligible Participant to any Options based on his or her contribution and specify (if considered appropriate by the Board) any minimum period within which an Option must be held before it can be exercised and/or any performance target that must be met as condition to the grant of Options and/or the requirement for a minimum subscription price based on the then circumstances will serve to protect the value of the Group. This, in turn, is expected to bring positive impact on the performance of the Group and is in the interests of the Company and the Shareholders as a whole.

There is no fundamental difference in terms of the rules between, or the rationale behind the adoption of, the Existing Share Option Scheme and (if approved by the Shareholders at the Annual General Meeting) the New Share Option Scheme.

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## LETTER FROM THE BOARD

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### **The New Share Option Scheme**

Set out in Appendix III to this circular are the principal terms of the New Share Option Scheme under which the maximum number of Shares which may be allotted and issued by the Company upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other schemes may represent up to 10% of the Shares in issue of the Company on the Adoption Date, which maximum number may however be refreshed as detailed in paragraph (3) of Appendix III to this circular.

The New Share Option Scheme will be administered by the Board. None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such trustee (if any).

As at the Latest Practicable Date, there were 2,013,018,000 Shares in issue. Assuming that there is no further change in the number of issued Shares between the Latest Practicable Date to the Adoption Date, the number of Shares which may be allotted and issued pursuant to the New Share Option Scheme on the Adoption Date will be 201,301,800 Shares.

### **Conditions of the adoption of the New Share Option Scheme**

The adoption of the New Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution to adopt the New Share Option Scheme by the Shareholders at the Annual General Meeting; and
- (ii) the Listing Committee granting approval of the listing of, and permission to deal in, any Shares which may fall to be allotted and issued by the Company pursuant to the exercise of Options in accordance with the terms of the New Share Option Scheme.

As no Shareholder has a material interest in the adoption of the New Share Option Scheme, no Shareholder is required to abstain from voting under the Listing Rules on the ordinary resolution in respect of the adoption of the New Share Option Scheme at the Annual General Meeting.

### **Application for Listing**

Application has been made to the Listing Committee for the approval of the listing of, and permission to deal in, the Shares which may fall to be allotted and issued upon exercise of the Options granted under the New Share Option Scheme.

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## LETTER FROM THE BOARD

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### **Values of all options that can be granted under the New Share Option Scheme**

The Directors consider that it is not possible or appropriate to state the value of all options that may be granted pursuant to the New Share Option Scheme as if they had been granted on Latest Practicable Date. This is because the calculation of the value of the options is based on a number of variables such as the exercise price, exercise period, interest rate, expected volatility and other relevant variables. In addition, options to be granted under the New Share Option Scheme are personal to the grantees of the Options and shall not be assignable, and no holder of an Option shall in any way sell, transfer, charge or create any interest in favour of any third party over or in relation to any Option and therefore have no market value. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

### **CLOSURE OF REGISTER OF MEMBERS**

The record date for determination of entitlement of Shareholders to the right to attend and vote at the Annual General Meeting is Friday, 10 May 2019.

The register of members of the Company will be closed from Tuesday, 7 May 2019 to Friday, 10 May 2019 (both days inclusive) during which no transfer of Shares may be effected for the purpose of determining shareholders who are entitled to attend and vote at the Annual General Meeting. In order to qualify for attending and voting at the Annual General Meeting, all transfer documents accompanied by the relevant share certificate(s) should be lodged for registration with the Hong Kong Branch Share Registrar by 4:30 p.m. on Monday, 6 May 2019.

### **ACTIONS TO BE TAKEN**

Set out on pages N-1 to N-7 of this circular is a notice convening the Annual General Meeting at which ordinary resolutions will be proposed to approve, among other matters, the following:

- (a) the grant of the General Mandate, the Buy-back Mandate and the Extension Mandate;
- (b) the re-election of Directors; and
- (c) the proposed adoption of the New Share Option Scheme.

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## LETTER FROM THE BOARD

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Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable and in any event not later than 48 hours before (i.e. 3:00 p.m. on Wednesday, 8 May 2019) the time for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

The voting at the Annual General Meeting will be taken by poll. After the conclusion of the Annual General Meeting, the results of the poll will be released on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.tontine-wines.com.hk>).

### RECOMMENDATIONS

The Directors consider that the proposals regarding the grant of the General Mandate, the Buy-back Mandate and the Extension Mandate, the re-election of Directors and the proposed adoption of the New Share Option Scheme are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolutions at the Annual General Meeting.

### GENERAL INFORMATION

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

### DOCUMENT AVAILABLE FOR INSPECTION

A copy of the draft rules of the New Share Option Scheme will be available for inspection at the Company's principal place of business in Hong Kong at Room 1703, 17th Floor, COFCO Tower, No. 262 Gloucester Road, Causeway Bay, Hong Kong during normal business hours from the date of this circular up to and including the date of the Annual General Meeting.

### MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully  
By order of the Board  
**China Tontine Wines Group Limited**  
**Wang Guangyuan**  
*Chairman and Executive Director*



*This appendix serves as an explanatory statement, as required under Rule 10.06(1)(b) of the Listing Rules, to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Buyback Mandate to the Directors.*

## **1. LISTING RULES RELATING TO THE BUY-BACK OF SHARES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to buy-back their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all buy-back of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 2,013,018,000 Shares in issue.

Subject to the passing of the proposed resolution granting the Buy-back Mandate and on the basis that no new Shares are issued and no Shares are bought-back for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the Company will be allowed under the Buy-back Mandate to buy-back up to a maximum of 201,301,800 Shares, representing 10% of the aggregate number of Shares in issue as at the Latest Practicable Date.

## **3. REASONS FOR THE BUY-BACKS**

The Directors believe that the Buy-back Mandate is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to buy back Shares on the Stock Exchange or any other stock exchange on which the Shares are listed. Such buybacks may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders as a whole.

**4. FUNDING OF BUY-BACKS**

In making buy-backs, the Company may only apply funds legally available for such purposes in accordance with the Bye-laws and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share buy-back may only be paid out of either the capital paid up on the relevant shares, or the funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The premium payable on buy-back may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the Company's share premium before the Shares are bought back. In accordance with the laws of Bermuda, the Shares so bought back would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

**5. MATERIAL ADVERSE IMPACT IN THE EVENT OF BUY-BACK IN FULL**

Taking into account the current working capital position of the Group, the Directors consider that, if the Buy-back Mandate were to be carried out in full at any time during the proposed buy-back period, it might have a material adverse impact on the working capital and/or gearing position of the Company as compared with the position as at 31 December 2018, being the date on which its latest published audited consolidated financial statements were made up. However, the Directors do not intend to exercise the Buyback Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

**6. SHARE PRICES**

The highest and lowest prices at which the Shares traded on the Stock Exchange in the previous twelve months and up to the Latest Practicable Date were as follows:

<b>2018</b>	<b>Highest</b>	<b>Lowest</b>
March	0.250	0.221
April	0.231	0.201
May	0.220	0.180
June	0.209	0.176
July	0.186	0.160
August	0.174	0.150
September	0.175	0.153
October	0.191	0.152
November	0.170	0.145
December	0.153	0.111
<b>2019</b>		
January	0.150	0.116
February	0.136	0.120
March (up to Latest Practicable Date)	0.158	0.124

**7. UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules and the laws of Bermuda and in accordance with the regulations set out in the memorandum of association of the Company and the Bye-laws.

**8. CORE CONNECTED PERSON**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company under the Buy-back Mandate if the same is approved by the Shareholders at the Annual General Meeting.

No core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the grant of the Buy-back Mandate is approved by the Shareholders at the Annual General Meeting.

## 9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to buy-back securities pursuant to the Buy-back 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 (as defined in the Takeovers Code) 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, according to the register of interests kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 5% or more of the issued Shares:

Name	Capacity/Nature of interest	Number of Shares held	Approximate percentage of shareholding
Up Mount ( <i>Note 1</i> )	Beneficial owner	675,582,720 ( <i>Note 1</i> )	33.56%
Mr Wang ( <i>Note 1</i> )	Interest in a controlled corporation	675,582,720 ( <i>Note 1</i> )	33.56%
Ms Zhang Min ( <i>Note 2</i> )	Interest of spouse	675,582,720	33.56%
Wing Move ( <i>Note 3</i> )	Beneficial owner	132,467,200 ( <i>Note 3</i> )	6.58%
Mr Zhang Hebin ( <i>Note 3</i> )	Interest in a controlled corporation	132,467,200 ( <i>Note 3</i> )	6.58%
Ms Luo Cheng Yan ( <i>Note 4</i> )	Interest of spouse	132,467,200	6.58%
Clever Growth Limited ( <i>Note 5</i> )	Beneficial owner	154,558,000	7.68%
Mr Yan Shaohua	Interest in a controlled corporation ( <i>Note 5</i> )	154,558,000	7.68%
	Beneficial owner	75,782,000	3.76%
		230,340,000	11.44%

*Notes:*

- (1) These Shares were held by Up Mount, whose issued shares were solely and beneficially owned by Mr Wang. Mr Wang was deemed to be interested in all the Shares held by Up Mount under Part XV of the SFO.
- (2) Ms Zhang Min was the spouse of Mr Wang and was deemed to be interested in all the Shares held by Mr Wang (through Up Mount) under Part XV of the SFO.
- (3) These Shares were held by Wing Move, whose issued shares were solely and beneficially owned by Mr Zhang Hebin. Mr Zhang was deemed to be interested in all the Shares held by Wing Move under Part XV of the SFO.
- (4) Ms Luo Cheng Yan was the spouse of Mr Zhang Hebin and was deemed to be interested in all the Shares held by Mr Zhang (through Wing Move) under Part XV of the SFO.
- (5) Clever Growth Limited is a company incorporated in the BVI, and is solely and beneficially owned by Mr Yan Shaohua. Mr Yan Shaohua is deemed to be interested in all the Shares held by Clever Growth Limited under Part XV of the SFO.

On the basis of 2,013,018,000 Shares in issue as at the Latest Practicable Date and assuming there is no further issue or buy-back of Shares during the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, if the Buy-back Mandate were exercised in full, the shareholding in the Company of Mr Wang together with his close associates (including Up Mount and Ms Zhang Min) would be increased from approximately 33.56% to approximately 37.29% of the issued share capital of the Company. Such increase would not result in the aggregate amount of the issued share capital of the Company in the public hands being reduced to less than 25%, but would give rise to an obligation on the part of Mr Wang and parties acting in concert (as defined in the Takeovers Code) with him to make a mandatory offer under Rule 26 of the Takeovers Code. Save as disclosed, the Directors are not aware of any consequence which would arise under the Takeovers Code as a result of any buy-back pursuant to the Buyback Mandate.

The Directors have no intention to exercise the Buy-back Mandate to such an extent that would result in (i) any obligation of Mr Wang and parties acting in concert (as defined in the Takeovers Code) with him to make a mandatory offer under the Takeovers Code or (ii) the number of Shares in the hands of public falling below the prescribed percentage of 25%.

**10. SHARE BUY-BACKS MADE BY THE COMPANY**

The Company did not buy-back any Shares in the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

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## APPENDIX II      DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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*Set out below are the biographical details and other information of the retiring Directors, who being eligible, would offer themselves for re-election at the Annual General Meeting.*

**Mr Wang Guangyuan (王光遠)**, aged 57, was appointed as our executive Director on 8 September 2008. He is also the chairman and a member of the nomination committee of our Board and the chief executive officer of our Company. Mr Wang is one of the founding management team members of Tonghua Tongtian Winery Co., Ltd\* (通化通天酒業有限公司) since its establishment in 2001. He is responsible for the overall business strategy, development and management of our Group. Prior to establishing our Group, from November 1986 to August 2000, he served with Tonhwa Winery Limited (通化葡萄酒股份有限公司), a wine company currently listed on the Shanghai Stock Exchange, and in September 1995 he was promoted as a deputy general manager. Mr Wang is currently a member of the People's Representative of Tonghua City 6th People's Congress (通化市第六屆人民代表大會代表) and Tonghua County 16th People's Congress (通化縣第十六屆人民代表大會代表), the Vice Chairman of Tonghua County Industry and Commerce Association (通化縣工商業聯合會) and Tonghua County Non-government Commerce Chamber (通化縣民間商會), a standing director of Tonghua City Young Entrepreneurs Association (通化市青年企業家協會常務理事), and a member of the 10th Executive Committee of Jilin Provincial Young Entrepreneurs (吉林省青年聯合會第十屆委員會). Mr Wang was awarded as the "Outstanding Worker of Tonghua County 1996-2001" (1996-2001年通化縣勞動模範) by the People's Government of Tonghua County (通化縣人民政府) in October 2002. He was also conferred the title of "Excellent Sales Manager" (優秀銷售總經理) jointly by China Winery Industry Association Grape Wine Sub-branch (中國釀酒工業協會葡萄酒分會) and China Agriculture Association Grape Sub-branch (中國農學會葡萄分會) in June 2006. He was certified as a senior economist by the Ministry of Finance of the PRC (中華人民共和國財政部) on 29 May 2003. Mr Wang obtained a bachelor's degree of business management from Jilin University (吉林大學) in July 1993. Mr Wang is the brother of Ms Wang Lijuan, an executive Director of our Company, and Ms Wang Lijun, a deputy general manager of our Company.

Mr Wang is beneficially interested in the entire issued share capital of Up Mount International Limited ("Up Mount"), a controlling shareholder of our Company, and is also a director of Up Mount. As at the Latest Practicable Date, Mr Wang was deemed to be interested in 675,582,720 Shares held by Up Mount by virtue of the SFO. Save as disclosed above, Mr Wang did not have, directly or indirectly, any interest in Shares within the meaning of Part XV of the SFO.

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## APPENDIX II      DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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Mr Wang has entered into a service agreement with the Company for an initial term of three years commencing from 1 November 2009, which is renewable automatically for successive terms of one year each commencing from the day immediately after the expiry of the then current term of his appointment, unless terminated in accordance with the terms of the service agreement. He is also subject to retirement by rotation and re-election at annual general meeting in accordance with the Bye-laws.

Mr Wang is entitled to a director's emolument of RMB1,555,200 per annum (which was determined by the Board with reference to Mr Wang's experience, qualifications, duties and responsibilities and the prevailing market condition) and a discretionary management bonus provided that the aggregate amount of the bonuses payable to all the executive Directors in respect of any financial year of the Company may not exceed 5% of the audited combined or, as the case may be, consolidated net profit of the Group (after taxation and minority interests and the payment of such bonuses but before extraordinary or exceptional items) for that financial year of the Company. For the financial year ended 31 December 2018, Mr Wang received by way of director's emolument the amount of RMB1,555,200 in his capacity as executive Director.

As at the Latest Practicable Date and save as disclosed above, Mr Wang (i) did not hold any position with the Company or other members of the Group; (ii) had not been a director in any listed public companies in Hong Kong or overseas in the last three years; (iii) did not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company; and (iv) did not, directly or indirectly, have any interests in any shares or underlying shares in the Company pursuant to Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in connection with Mr Wang's re-election at the Annual General Meeting.

**Mr Lai Chi Keung, Albert (黎志強)**, aged 57, was appointed as our independent non-executive Director on 28 October 2009. He is also the chairman of the nomination committee, as well as a member of the audit committee and the remuneration committee of our Board. Mr Lai has over 30 years' experience in the jewelry industry. He had worked for and held key management positions in various established jewelry companies, both listed and private, in Hong Kong and overseas. Mr Lai has rich experience in sales management, marketing, distribution channel and resource planning strategies.

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## **APPENDIX II     DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

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Except for a letter of appointment from the Company confirming his appointment as independent non-executive Director for a term of two years commencing from 1 January 2012, which is renewable automatically for successive terms of one year each commencing from the day immediately after the expiry of the then current term of his appointment, unless terminated in accordance with the terms of his letter of appointment, there is no service agreement entered into between the Company and Mr Lai. He is also subject to retirement by rotation and re-election at annual general meeting in accordance with the Bye-laws.

Mr Lai is entitled to a director's emolument of RMB1,555,200 per annum (which was determined by the Board with reference to Mr Lai's experience, qualifications, duties and responsibilities and the prevailing market condition) and such other benefits as may be determined by and at the discretion of the Board from time to time. For the financial year ended 31 December 2018, Mr Lai received by way of director's emolument the amount of RMB1,555,200 in his capacity as independent non-executive Director.

As at the Latest Practicable Date and save as disclosed above, Mr Lai (i) did not hold any position with the Company or other members of the Group; (ii) had not been a director in any listed public companies in Hong Kong or overseas in the last three years; (iii) did not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company; and (iv) did not, directly or indirectly, have any interests in any shares or underlying shares in the Company pursuant to Part XV of the SFO.

Based on the information contained in the annual confirmation on independence provided by Mr Lai to the Company pursuant to Rule 3.13 of the Listing Rules, the Board has reviewed and evaluated the independence of Mr Lai and is satisfied that he has met the criteria of independence expected of an independent non-executive director under the Listing Rules. The Board is of the view that Mr Lai remains to be independent, 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 re-elected at the Annual General Meeting.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in connection with Mr Lai's re-election at the Annual General Meeting.

**Mr Cheng Vincent (formerly known as Cheng Ka Fuk Vincent) (鄭嘉福)**, aged 55, was appointed as independent non-executive director of the Company on 17 November 2018. He is also the chairman of both the audit committee and the remuneration committee of the Board.



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## **APPENDIX II      DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

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Mr Cheng obtained a master degree in Business Administration from Deakin University in Australia (as a joint program of Deakin University and CPA Australia) in May 2003 and a bachelor of arts degree in Accountancy from the City University of Hong Kong (formerly known as City Polytechnic of Hong Kong) in November 1993. Mr Cheng was admitted as a fellow of CPA Australia in December 2000, a fellow of the Institute of Chartered Secretaries and Administrators in October 2000, a fellow of HKICPA in April 2008 and a fellow of the Taxation Institute of Hong Kong in September 2010. He was also recognised by the Taxation Institute of Hong Kong as a certified tax adviser (CTA HK) in September 2010.

Mr Cheng has years of experience in the fields of finance and accountancy. From December 1987 to September 2000, Mr Cheng was employed with a financial planning firm and was promoted to chief accountant (Hong Kong) before he left. During October 2000 to February 2002, Mr Cheng had been a project manager responsible for fund raising activities and relationship management in a company in Australia which is principally engaged in chemical and pharmaceutical business and was subsequently listed on the Growth Enterprise Market (now known as GEM) of the Stock Exchange. From May 2003 to July 2010, Mr Cheng had joined Continental Holdings Limited, a company engaged in consumer goods business and listed on the Main Board of the Stock Exchange (stock code: 513), and had held various positions (including project manager, head of finance and accounts department, company secretary and qualified accountant) during his tenure. In January 2011, Mr Cheng was appointed as the deputy finance director of a multi-disciplinary architecture firm and is currently its finance director.

Mr Cheng had been the independent non-executive director of Nanjing Sinolife United Company Limited (a company listed on the main board of the Stock Exchange (stock code: 3332)) from August 2013 to October 2018. He is currently the independent non-executive director of Flying Financial Service Holdings Limited (a company listed on GEM of the Stock Exchange (stock code: 8030)).

Except for a letter of appointment from the Company confirming his appointment as independent non-executive Director for a term of two years commencing from 17 November 2018, which is renewable automatically for successive terms of one year each commencing from the day immediately after the expiry of the then current term of his appointment, unless terminated in accordance with the terms of his letter of appointment, there is no service agreement entered into between the Company and Mr Cheng. He is also subject to retirement by rotation and re-election at annual general meeting in accordance with the Bye-laws.

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## **APPENDIX II     DETAILS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

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Mr Cheng is entitled to a director's emolument of RMB155,200 per annum (which was determined by the Board with reference to Mr Cheng's experience, qualifications, duties and responsibilities and the prevailing market condition) and such other benefits as may be determined by and at the discretion of the Board from time to time. For the financial year ended 31 December 2018, Mr Cheng received by way of any director's emolument the amount of RMB19,316 in his capacity as independent non-executive Director.

As at the Latest Practicable Date and save as disclosed above, Mr Cheng (i) did not hold any position with the Company or other members of the Group; (ii) had not been a director in any listed public companies in Hong Kong or overseas in the last three years; (iii) did not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company; and (iv) did not, directly or indirectly, have any interests in any shares or underlying shares in the Company pursuant to Part XV of the SFO.

Based on the information contained in the annual confirmation on independence provided by Mr Cheng to the Company pursuant to Rule 3.13 of the Listing Rules, the Board has reviewed and evaluated the independence of Mr Cheng and is satisfied that he has met the criteria of independence expected of an independent non-executive director under the Listing Rules. The Board is of the view that Mr Cheng remains to be independent, 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 re-elected at the Annual General Meeting.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in connection with Mr Cheng's re-election at the Annual General Meeting.

*\* For identification purpose only*

*Set out below is a summary of the principal terms of the New Share Option Scheme proposed to be approved and adopted at the Annual General Meeting.*

**(1) PURPOSE OF THE NEW SHARE OPTION SCHEME**

The purpose of the New Share Option Scheme is to enable the Group to grant Options to the Eligible Participants referred to in paragraph (2) below to recognize and reward their contributions and as incentives for retaining them for their contribution or potential contribution to the Group for the long-term growth and development of the Group.

Given that the Directors are entitled to determine any performance targets to be achieved as well as the minimum period that an Option must be held before an Option can be exercised on a case by case basis, and that the exercise price of an Option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an Option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalize on the benefits of the Options granted.

**(2) WHO MAY JOIN**

The Directors may, at their absolute discretion, invite any person belonging to any of the following classes of participants (the “**Eligible Participants**”) to take up Options to subscribe for Shares:

- (a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries, or any entity (the “**Invested Entity**”) in which any member of the Group holds any equity interest;
- (b) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity;

- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and
- (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group,

and, for the purposes of the New Share Option Scheme, the offer for the grant of Option(s) may be made to any company wholly owned by one or more persons belonging to any of the above classes of participants.

For the avoidance of doubt, the grant of any Options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of Option under the New Share Option Scheme.

The eligibility of any of the above classes of participants to an offer for the grant of any Option shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his/her/its contribution to the development and growth of the Group.

### **(3) MAXIMUM NUMBER OF SHARES**

- (a) The maximum number of Shares which may be allotted and issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the relevant class of securities of the Company (or the subsidiary) in issue from time to time.
- (b) The total number of Shares which may be allotted and issued upon exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the New Share Option Scheme and any other share option scheme of the Group) to be granted under the New Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue as at the date of passing the relevant resolution adopting the New Share Option Scheme (the **"General Scheme Limit"**).

- (c) Subject to (a) above and without prejudice to (d) below, the Company may seek approval of the Shareholders at general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Group must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit and, for the purpose of calculating the refreshed limit, Options (including those outstanding, cancelled, lapsed or exercised in accordance with the New Share Option Scheme and any other share option scheme of the Group) previously granted under the New Share Option Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to the Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.
- (d) Subject to (a) above and without prejudice to (c) above, the Company may seek separate Shareholders' approval at general meeting to grant Options beyond the General Scheme Limit or, if applicable, the refreshed limit referred to in (c) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of the specified participants, the number and terms of Options to be granted, the purpose of granting Options to the specified participants with an explanation as to how the terms of the Options serve such purpose and such other information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

#### (4) MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of Shares issued and which may fall to be issued upon the exercise of the Options granted under the New Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding Options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (the “**Individual Limit**”). Any further grant of Options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the Shareholders in general meeting of the Company with such grantee and his close associates (or his associates if such grantee is a connected person of the Company) abstaining from voting. The number and terms (including the exercise price) of Options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

**(5) GRANT OF OPTIONS TO CONNECTED PERSONS**

- (a) Any grant of Options under the New Share Option Scheme to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors (excluding independent non-executive Director who or whose associates is the proposed grantee of the Options).
- (b) Where any grant of Options to a substantial shareholder or an independent non-executive Director, or any of their respective associates, would result in the Shares issued and to be allotted and issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
  - (aa) representing in aggregate over 0.1% of the Shares in issue; and
  - (bb) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million;

such further grant of Options must be approved by the Shareholders at general meeting. The Company must send a circular to the Shareholders. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that the connected person's intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll. Any change in the terms of Options granted to a substantial shareholder or an independent non-executive Director, or any of their respective associates must be approved by the Shareholders at general meeting.

**(6) TIME OF ACCEPTANCE AND EXERCISE OF OPTION**

An Option may be accepted by a participant within 21 days from the date of the offer for grant of the Option.

An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date of acceptance of the offer for the grant of Options but shall end in any event not later than 10 years from the date of grant of the Option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer for the grant of Options to a grantee, there is no minimum period required under the New Share Option Scheme for the holding of an Option before it can be exercised.

**(7) PERFORMANCE TARGETS**

Unless the Directors otherwise determined and stated in the offer of the grant of Options to a grantee, a grantee is not required to achieve any performance targets before any Options granted under the New Share Option Scheme can be exercised. No performance targets are specifically stipulated under the New Share Option Scheme.

**(8) SUBSCRIPTION PRICE FOR SHARES AND CONSIDERATION FOR THE OPTION**

The subscription price for Shares under the New Share Option Scheme shall be a price determined by the Directors but shall not be less than the highest of (i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer for grant, which must be a Business Day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a Share.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an Option.

**(9) RANKING OF SHARES**

- (a) The Shares allotted and issued upon the exercise of an Option will be subject to all the provisions of the bye-laws of the Company for the time being in force and will rank equally in all respects with the fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members (the “**Exercise Date**”) and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the grantee has been entered on the register of members of the Company as the holder thereof.
- (b) Unless the context otherwise requires, references to “Shares” in this paragraph include references to shares in the ordinary equity share capital of the Company of such nominal amount as shall result from a sub-division, consolidation, re-classification or re-construction of the share capital of the Company from time to time.

**(10) RESTRICTIONS ON THE TIME OF THE OFFER FOR THE GRANT OF OPTIONS**

- (a) No offer for the grant of Options shall be made after inside information has come to the Company’s knowledge until such inside information has been announced in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (aa) the date of the Board meeting (as that date is first notified to the Stock Exchange in accordance with the Listing Rules), and (bb) the deadline for the Company to publish an announcement of the results of the Company for any year, half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcement, no offer for the grant of Options may be made.
- (b) The Directors may not make any offer for the grant of Option to a participant who is a Director during the periods or times in which Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Companies prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.



**(11) PERIOD OF THE NEW SHARE OPTION SCHEME**

The New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme is adopted.

**(12) RIGHTS ON CEASING EMPLOYMENT**

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than his death, ill-health or retirement in accordance with his contract of employment or the termination of his employment on one or more of the grounds referred to in paragraph (14) below before exercising his Option in full, the Option (to the extent not already exercised) will lapse on the date of cessation and will not be exercisable unless the Directors otherwise determine in which event the grantee may exercise the Option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation, which will be taken to be the last day on which the grantee was at work with the Group or the Invested Entity whether salary is paid in lieu of notice or not.

*“Eligible Employee”* means any employee (whether full time or part time employee, including any executive director but not any non-executive director) of the Company, any of its subsidiaries or any Invested Entity.

**(13) RIGHTS ON DEATH, ILL-HEALTH OR RETIREMENT**

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Option in full, his personal representative(s), or, as appropriate, the grantee may exercise the Option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation, which date shall be the last day on which the grantee was at work with the Group or the Invested Entity, whether salary is paid in lieu of notice or not, or such longer period as the Directors may determine.

**(14) RIGHTS ON DISMISSAL**

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of persistent or serious misconduct or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or the Group or the Invested Entity into disrepute), his Option (to the extent not already exercised) will lapse automatically on the date of cessation to be an Eligible Employee.

**(15) RIGHTS ON BREACH OF CONTRACT**

If the Directors shall at their absolute discretion determine that (a) (1) the grantee of any Option (other than an Eligible Employee) or his associate has committed any breach of any contract entered into between the grantee or his associate on the one part and the Group or any Invested Entity on the other part; or (2) that the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (3) the grantee could no longer make any contribution to the growth and development of the Group by reason of the cessation of its relations with the Group or by other reason whatsoever; and (b) the Option granted to the grantee under the New Share Option Scheme shall lapse as a result of any event specified in sub-paragraphs (1), (2) or (3) above, his Option will lapse automatically on the date on which the Directors have so determined.

**(16) RIGHTS ON A GENERAL OFFER, A COMPROMISE OR ARRANGEMENT**

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis; and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional, a grantee shall be entitled to exercise his Option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in exercise of his Option at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date which such offer (or, as the case may be, revised offer) closed or the relevant record date for entitlements under such scheme of arrangement, as the case may be.

**(17) RIGHTS ON WINDING UP**

In the event of an effective resolution being proposed for the voluntary winding-up of the Company during the Option period referred to in paragraph (6) above, the grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than two Business Days before the date on which such resolution is to be considered and/or passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the New Share Option Scheme and the Company shall allot and issue to the grantee of the Shares in respect of which such grantee has exercised his Option not less than one Business Day before the date on which such resolution is to be considered and/or passed whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up of the Company.

**(18) GRANTEE BEING A COMPANY WHOLLY OWNED BY ELIGIBLE PARTICIPANTS**

If the grantee is a company wholly owned by one or more Eligible Participants:

- (aa) paragraphs (12), (13), (14) and (15) shall apply to the grantee and to the Options to such grantee, *mutatis mutandis*, as if such Options had been granted to the relevant Eligible Participant, and such Options shall accordingly lapse or fall to be exercisable after the event(s) referred to in paragraphs (12), (13), (14) and (15) above shall occur with respect to the relevant Eligible Participant; and
- (bb) the Options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly owned by the relevant Eligible Participant provided that the Directors may in their absolute discretion decide that such Options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

**(19) ADJUSTMENTS TO THE SUBSCRIPTION PRICE**

In the event of a capitalisation issue, rights issue, subdivision or consolidation of Shares or reduction of capital of the Company whilst an Option remains exercisable, such corresponding alterations (if any) certified by the auditors for the time being of or an independent financial adviser to the Company as fair and reasonable will be made to the number or nominal amount of Shares to which the New Share Option Scheme or any Option relates (insofar as it is/they are unexercised) and/or the subscription price of the Option concerned and/or (unless the grantee of the Option elects to waive such adjustment) the number of Shares comprised in an Option or which remains comprised in an Option, provided that (a) any adjustments shall give a grantee the same proportion of the issued share capital to which he was entitled prior to such adjustment; (b) no such adjustment may be made to the extent that a Share would be issued at less than its nominal value; (c) the issue of Shares or other securities of the Group as a consideration in a transaction may not be regarded as a circumstance requiring any such adjustment; and (d) any adjustment must be made in compliance with the Listing Rules and such rules, codes and guidance notes of the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalisation issue, such auditors or independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

**(20) CANCELLATION OF OPTIONS**

Any cancellation of Options granted but not exercised must be subject to the prior written consent of the relevant grantee and the approval of the Directors.

When the Company cancels any Option granted to a grantee but not exercised and issues new Option(s) to the same grantee, the issue of such new Option(s) may only be made with available unissued Options (excluding the Options so cancelled) within the General Scheme Limit or the new limits approved by the Shareholders pursuant to sub-paragraph (3) (c) and (d) above.

**(21) TERMINATION OF THE NEW SHARE OPTION SCHEME**

The Company may by resolution at general meeting at any time terminate the operation of the New Share Option Scheme and in such event no further Options shall be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Option (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

**(22) RIGHTS ARE PERSONAL TO THE GRANTEE**

An Option is personal to the grantee and shall not be transferable or assignable.

**(23) LAPSE OF OPTION**

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (a) the expiry of the Option period referred to in paragraph (6) above;
- (b) the expiry of the periods or dates referred to in paragraph (12), (13), (14), (15), (16), (17) and (18) above; and
- (c) the date on which the Directors exercise the Company's right to cancel the Option by reason of a breach of paragraph (22) above by the grantee.

**(24) MISCELLANEOUS**

- (a) The terms and conditions of the New Share Option Scheme relating to the matters set out in rule 17.03 of the Listing Rules shall not be altered to the advantage of grantees of the Options except with the approval of the Shareholders in general meeting.
- (b) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the terms of the New Share Option Scheme.
- (c) The amended terms of the New Share Option Scheme or the Options shall still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (d) Any change to the authority of the Directors or the scheme administrators in relation to any alteration to the terms of the New Share Option Scheme shall be approved by the Shareholders in general meeting.

**(25) PRESENT STATUS OF THE NEW SHARE OPTION SCHEME****(a) Approval of the Listing Committee required**

The New Share Option Scheme is conditional on the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares to be allotted and issued pursuant to the exercise of any Options which may be granted under the New Share Option Scheme, such number being not less than that of the General Scheme Limit.

**(b) Application of approval**

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares to be allotted and issued within the General Scheme Limit pursuant to the exercise of Options which may be granted under the New Share Option Scheme.

**(c) Grant of Option(s)**

As at the Latest Practicable Date, no Options have been granted or agreed to be granted under the New Share Option Scheme.

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## NOTICE OF ANNUAL GENERAL MEETING

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# TONTINE

## CHINA TONTINE WINES GROUP LIMITED

### 中國通天酒業集團有限公司

*(incorporated in Bermuda with limited liability)*  
(Stock Code: 389)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**Meeting**”) of China Tontine Wines Group Limited (the “**Company**”) will be held at the head office of the Company at No. 2199, Tuanjie Road, Tonghua County, Jilin Province, The People’s Republic of China on Friday, 10 May 2019 at 3:00 p.m. to consider and, if thought fit, transact the following ordinary businesses:

#### **As Ordinary Business**

1. To receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and the auditors (the “**Auditors**”) of the Company for the year ended 31 December 2018.
2. To consider the re-election of the retiring Directors (namely Mr Wang Guangyuan, Mr Lai Chi Keung, Albert and Mr Cheng Vincent), each as separate resolution, and to authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To consider the re-appointment of ZHONGHUI ANDA CPA Limited as the Auditors, for the year ending 31 December 2019 and to authorise the Board to fix the remuneration of the Auditors.

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## NOTICE OF ANNUAL GENERAL MEETING

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### AS SPECIAL BUSINESS

To consider and, if thought fit, pass with or without modifications, each of the following resolutions as ordinary resolution:

4. **“THAT:**

- (a) subject to paragraphs (c) and (d) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws, the exercise by the directors (the **“Directors”**) of the Company during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company to allot, issue and deal with the unissued shares (the **“Shares”**) of HK\$0.01 each in the share capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or 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 or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of the Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as hereinafter defined in paragraph (e) below);
  - (ii) the exercise of options granted under the share option scheme or similar arrangement for the time being adopted by the Company from time to time;
  - (iii) any scrip dividend or similar arrangements providing for allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company and other relevant regulations in force from time to time; or

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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 20% of the aggregate number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly;

- (d) the Company may not issue securities convertible into new Shares for cash consideration unless the initial conversion price is not lower than the Benchmarked Price (as hereinafter defined in paragraph (e) below) of the Shares at the time of the relevant placing, and the Company may not issue warrants, options or similar rights to subscribe for (i) any new Shares; or (ii) any securities convertible into new Shares, for cash consideration pursuant to the approval in paragraph (a) above; and
- (e) for the purposes of this resolution,

“**Benchmarked Price**” means the higher of:

- (i) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities pursuant to the approval in paragraph (a) above; and
- (ii) the average closing price in the 5 trading days immediately prior to the earlier of:
  - (1) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities pursuant to the approval in paragraph (a) above;
  - (2) the date of the placing agreement or other agreement involving the proposed issue of securities pursuant to the approval in paragraph (a) above; and
  - (3) the date on which the placing or subscription price is fixed.



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## NOTICE OF ANNUAL GENERAL MEETING

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law of Bermuda to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**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 the holders of Shares or any class of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expenses 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, jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to buy back the shares (the “**Shares**”) of HK\$0.01 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Act 1981 of Bermuda (as amended, supplemented or modified from time to time) and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the aggregate number of Shares which may be bought back or agreed to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
  - (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any other applicable law of Bermuda to be held; or
    - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
6. “**THAT** conditional upon resolutions numbered 4 and 5 above being passed, the unconditional general mandate granted to the directors (the “**Directors**”) of the Company to allot, issue and deal with the unissued shares of the Company pursuant to resolution numbered 4 above be and is hereby extended by the addition to the aggregate number of the shares in the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to or in accordance with such general mandate of an amount representing the aggregate number of shares in the Company bought back by the Company pursuant to or in accordance with the authority granted under resolution numbered 5 above.”

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## NOTICE OF ANNUAL GENERAL MEETING

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7. “**THAT** conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares falling to be allotted and issued pursuant to the share option scheme (the “**New Share Option Scheme**”), the terms of which are set out in the document marked “A” which has been produced to the Meeting and signed by the chairman of the Meeting for the purpose of identification:
- (a) the rules of the New Share Option Scheme be and are hereby approved and adopted and the Board be and is hereby authorised to grant options and to allot, issue and deal with the Shares pursuant to the exercise of any option(s) granted thereunder and to take all such steps as the Board may consider necessary or expedient to implement the New Share Option Scheme; and
  - (b) the existing share option scheme of the Company which was adopted by the shareholders of the Company on 19 November 2009 be and is hereby terminated with immediate effect.”

Yours faithfully

By order of the Board

**China Tontine Wines Group Limited**

**Wang Guangyuan**

*Chairman and Executive Director*

Hong Kong, 29 March 2019

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

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

Room 1703, 17th Floor  
COFCO Tower  
No. 262 Gloucester Road  
Causeway Bay, Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares (the “**Shares**”) in the Company may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such Shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised, and must be deposited with the Hong Kong branch share registrar and transfer office (the “**Hong Kong Branch Share Registrar**”) of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) not less than 48 hours (i.e. 3:00 p.m. on Wednesday, 8 May 2019) before the time fixed for holding of the Meeting (or any adjournment thereof).
4. The register of members of the Company will be closed from Tuesday, 7 May to Friday, 10 May 2019 (both days inclusive), during which period no transfer of the Shares will be effected. In order to qualify for attending the Meeting or any adjournment thereof, all transfers of Shares accompanied by the relevant share certificate(s) must be lodged with the Hong Kong Branch Share Registrar at the above address by no later than 4:30 p.m. on Monday, 6 May 2019.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the Meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In relation to resolutions numbered 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 in accordance with all applicable laws and the Listing Rules. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be allotted and issued upon exercise of the subscription rights attached to options granted under the share option scheme of the Company or any scrip dividend scheme which may be approved by the Shareholders.
7. In relation to resolution numbered 5 above, approval is being sought from Shareholders for the grant to the Directors of a general mandate to buy-back Shares in accordance with all applicable laws and the Listing Rules. The Directors wish to state that they will exercise the powers conferred thereby to buy-back Shares in circumstances which they deem appropriate for the benefit of the Shareholders.

*As at the date of this notice, the executive Directors are Mr Wang Guangyuan, Mr Zhang Hebin and Ms Wang Lijun and the independent non-executive Directors are Mr Cheng Vincent, Mr Lai Chi Keung, Albert and Mr Yang Qiang.*