

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

If you have sold or transferred all your shares in Asian Citrus Holdings Limited, you should at once hand this circular together with the accompanying form of proxy (as applicable) to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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## **ASIAN CITRUS HOLDINGS LIMITED**

**亞洲果業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 73)**

### **RE-ELECTION OF RETIRING DIRECTORS PROPOSED ADOPTION OF 2020 SHARE OPTION SCHEME GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND NOTICE OF ANNUAL GENERAL MEETING**

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

A letter from the Board is set out on pages 4 to 9 of this circular.

A notice convening the annual general meeting of the Company to be held at United Conference Centre, Level 10, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 30 December 2020 at 9:00 a.m. is set out on pages 22 to 27 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. If you are a Shareholder and are not able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and any power of attorney or other authority (if any) under which it is signed, or a certified copy of that power of attorney, to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM, or to Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgewater Road, Bristol BS99 6ZY, United Kingdom by 5:00 p.m. (UK time) on Thursday, 24 December 2020.

Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM, or any adjournment thereof, should they so wish and in such event the form of proxy shall be deemed to be revoked.

#### **PRECAUTIONARY MEASURES FOR THE AGM**

The following precautionary measures will be implemented to prevent the spread of COVID-19 at the AGM:

- compulsory temperature checks and health declaration for all attendees
- compulsory wearing of surgical face masks throughout the AGM
- maintaining proper distance between seats
- no beverage or refreshments will be served and no corporate gifts will be distributed at the AGM

Any person who does not comply with the precautionary measures will not be admitted to the venue of the AGM. The Company would like to remind Shareholders, in particular those who are unwell or subject to quarantine in relation to COVID-19, that physical attendance in person at the AGM is not necessary for the purpose of exercising their voting rights and recommends Shareholders that they may appoint the chairman of the AGM as a proxy to vote on the resolutions to be proposed at the AGM instead of attending the AGM in person.

\* For identification purpose only



## DEFINITIONS

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

“2009 Share Option Scheme”	the share option scheme of the Company adopted on 2 November 2009;
“2020 Share Option Scheme”	the new share option scheme proposed to be adopted by an ordinary resolution to be passed by the Shareholders at the AGM, a summary of the principal terms of which is set out in Appendix II to this circular;
“Adoption Date”	being 30 December 2020, the date on which the 2020 Share Option Scheme may be approved by way of ordinary resolutions of the Shareholders during the AGM to be held on that day;
“AGM”	the annual general meeting of the Company to be held at United Conference Centre, Level 10, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 30 December 2020 at 9:00 a.m. (Hong Kong time);
“AGM Notice”	the notice convening the AGM, a copy of which is set out on pages 22 to 27 of this circular;
“Board”	the board of Directors;
“Bye-Laws”	the Restated Bye-Laws of the Company;
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules;
“Company”	Asian Citrus Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on HKEx;
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Eligible Employee”	means any employee including executive directors (whether full time or part time) of the Company, any Subsidiary or any Invested Entity;
“Eligible Person”	means:  (a) any Eligible Employee;  (b) any non-executive director (including any independent non-executive director) of the Company, any Subsidiary or any Invested Entity; or

## DEFINITIONS

	(c) any consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Company, any Subsidiary or any Invested Entity;
“Group”	the Company and its Subsidiaries;
“HKEx”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Invested Entity”	any entity in which the Company or any of its Subsidiaries holds an equity interest;
“Issue Mandate”	a general and unconditional mandate proposed to be granted at the AGM to the Directors to exercise all the powers of the Company to allot, issue or otherwise deal with Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution approving the issue mandate;
“Listing Rules”	the Rules Governing the Listing of Securities on the HKEx, as amended from time to time;
“Latest Practicable Date”	25 November 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Main Board”	means the Main Board operated by HKEx;
“Option”	means an option to subscribe for the Shares granted pursuant to the 2020 Share Option Scheme;
“Option Period”	means in respect of any particular Option, the period during which the Participant may exercise the Option, which is determined and notified by the Board to the Participant at the time of making an Offer which shall not expire later than 10 years from the date of grant of the Option subject to the provisions for early termination thereof;
“Other Schemes”	means any other share option schemes (if any) adopted by any member of the Group from time to time;

## DEFINITIONS

“Participant”	means any Eligible Person who accepts the offer of any Option in accordance with the terms of the 2020 Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Participant;
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted at the AGM to the Directors to exercise all the powers of the Company to repurchase Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution approving the repurchase mandate;
“RMB”	Renminbi, the lawful currency of the People’s Republic of China;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	registered holder(s) of (a) Share(s);
“Subscription Price”	the price per Share at which a Participant may subscribe for the Shares on the exercise of an Option;
“Subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules;
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;
“Takeovers Codes”	the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time;
“UK”	United Kingdom; and
“%”	per cent.

LETTER FROM THE BOARD



**ASIAN CITRUS HOLDINGS LIMITED**  
**亞洲果業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 73)**

*Executive Directors:*

Mr. Ng Ong Nee

*(Chairman and Chief Executive Officer)*

Mr. Ng Hoi Yue

*(Deputy Chief Executive Officer)*

*Registered Office:*

Clarendon House

2 Church Street

Hamilton

Bermuda HM 11

*Non-executive Director:*

Mr. He Xiaohong

*Principal Place of Business*

*in Hong Kong:*

1/F., Ching Cheong Industrial Building

1-7 Kwai Cheong Road

Kwai Chung, New Territories

Hong Kong

*Independent Non-executive Directors:*

Mr. Chung Koon Yan

Dr. Lui Ming Wah, PhD, SBS, JP

Mr. Yang Zhen Han

30 November 2020

*To the Shareholders*

Dear Sir or Madam,

**RE-ELECTION OF RETIRING DIRECTORS**  
**PROPOSED ADOPTION OF 2020 SHARE OPTION SCHEME**  
**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information reasonably necessary for them to make a decision on whether to vote for or against the resolutions to be proposed at the AGM for the approval of, amongst other matters:

- (a) the re-election of the retiring Directors;
- (b) the adoption of the 2020 Share Option Scheme; and
- (c) the grant of the Issue Mandate and the Repurchase Mandate to the Directors to issue new Shares and repurchase Shares, respectively.

\* For identification purpose only

## LETTER FROM THE BOARD

### **ANNUAL REPORT**

The audited consolidated financial statements, the reports of the Directors and the independent auditors of the Company for the financial year ended 30 June 2020 had been despatched on 24 September 2020 to the Shareholders for their consideration and adoption at the AGM.

### **RE-ELECTION OF RETIRING DIRECTORS**

In accordance with bye-laws 88(1) and 88(2) 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 a multiple of three, then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director shall be subject to retirement by rotation once every three years. The Directors to retire will be those who have been the longest in office since their last re-election or appointment but as between persons who became or were last re-elected as Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to bye-law 87(2) of the Bye-laws shall not be taken into account in determining which particular Director or the number of Directors who are to retire by rotation.

Accordingly, Mr. Ng Ong Nee, an Executive Director, and Mr. He Xiaohong, a Non-executive Director, shall retire at the AGM respectively. Mr. Ng Ong Nee and Mr. He Xiaohong, each being eligible, have offered themselves for re-election at the AGM.

The biographical details of the retiring Directors who have offered themselves for re-election are set out in Appendix I to this circular.

### **PROPOSED ADOPTION OF THE 2020 SHARE OPTION SCHEME**

#### **2009 Share Option Scheme**

The 2009 Share Option Scheme was adopted by the Company on 2 November 2009 and expired on 1 November 2019, being the tenth anniversary of the date the 2009 Share Option Scheme had taken effect. As the 2009 Share Option Scheme expired, the Board considers that it is in the interests of the Company to adopt the 2020 Share Option Scheme in order to enable the Company to continue to grant options to eligible participants as incentives and rewards for their contributions to the Group.

As at the Latest Practicable Date, the Company had granted a total of 77,000,000 options to certain employees and Directors of the Company pursuant to the 2009 Share Option Scheme, out of which 366,000 options had been exercised and 76,634,000 options were lapsed. As at the Latest Practicable Date, the Company had no outstanding share options under the 2009 Share Option Scheme. There was no other share option scheme put in place by the Company as at the Latest Practicable Date.

#### **Proposed adoption of the 2020 Share Option Scheme**

In order to enable the Company to continue to grant options to eligible participants as incentives and rewards for their contributions to the Group, the Directors propose to adopt the 2020 Share Option Scheme which will be put to the Shareholders for approval at the AGM.

## LETTER FROM THE BOARD

The adoption of the 2020 Share Option Scheme is conditional upon:

- (i) the passing of the necessary resolution by the Shareholders at the AGM to approve and adopt the 2020 Share Option Scheme; and
- (ii) the Listing Committee of the HKEx granting approval of the listing of, and permission to deal in, such number of Shares which may fall to be allotted and issued upon the exercise of Options in accordance with the terms and conditions of the 2020 Share Option Scheme (up to 10% of the total number of Shares in issue as at the date of AGM).

Application will be made to the Listing Committee of the HKEx for the approval of the listing of, and permission to deal in, the Shares to be allotted and issued upon the exercise of the Options granted under the 2020 Share Option Scheme (representing up to 10% of the total number of Shares in issue as at the date of AGM).

The Directors consider that the 2020 Share Option Scheme, which will be valid for 10 years from the date of its adoption, will provide the Group with a platform to reward Participants who have contributed to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The Board believes that the authority given to the Board under the 2020 Share Option Scheme to specify any minimum holding period and/or performance targets as conditions in any option granted and the requirement for a minimum Subscription Price as well as the authority to select the appropriate Participants as prescribed by the rules of the 2020 Share Option Scheme will serve to protect the value of the Company and to achieve such purpose of retaining and motivating high quality personnel to contribute to the Group.

The Board considers it appropriate to include as Eligible Persons those persons who are not directors or employees of any member of the Group, but who may otherwise contribute to the business affairs, development and growth of the Group, as the long-term growth and development of the Group requires the co-operation and contributions from such parties who play a vital role as advisers or consultants (whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid) and provide strategic advisory or consulting services to any area of business or business development of any member of the Group. The Board considers that the Eligible Persons other than directors or employees of any member of the Group will share common interests and objectives with the Group upon their exercise of the Options. The grant of Options under the 2020 Share Option Scheme serves to offer incentives for the aforesaid parties to provide the Group with improved services and/or more valuable advice, thereby cultivating sustainable relationships with the Group, which in turn contribute to the long-term development and growth of the Group. In determining the eligibility of such Eligible Persons, the Board would on a case by case basis consider such persons' performance conditions, targets to be achieved and potential and/or actual contribution to the business affairs and benefits to the Group, as well as the Subscription Price and the minimum period that an option must be held before an option can be exercised. It is expected that grantees of an option will make an effort to contribute to the development of the Group and therefore will benefit the Company and its shareholders as a whole.

As at the Latest Practicable Date, no option has been granted or agreed to be granted pursuant to the 2020 Share Option Scheme and the Company does not have any plan to grant Options under the 2020 Share Option Scheme. The Directors consider that it is not appropriate to state the value of the Options that can be granted under the 2020 Share Option Scheme as if they had been granted on the Latest Practicable Date, as various determining factors (such as the Subscription Price, the timing of granting of such Options, exercise period and performance targets which the Directors may set under the 2020 Share Option Scheme) for the calculation of such value cannot be reasonably fixed at this stage. It would not be meaningful and may be misleading to the Shareholders if the value of the Options is calculated based on a set of speculated assumptions.



## LETTER FROM THE BOARD

On the basis of 1,249,637,884 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are allotted, issued or repurchased by the Company prior to the AGM, the maximum number of Shares to be allotted and issued upon the exercise of Options that may be granted under the 2020 Share Option Scheme and any other schemes of the Company will be 124,963,788 Shares, being 10% of the Company's issued shares as at the date of approval of the 2020 Share Option Scheme by the Shareholders at the AGM.

A summary of the principal terms of the 2020 Share Option Scheme is set out in Appendix II to this circular. The full terms of the 2020 Share Option Scheme can be inspected at the principal place of business of the Company at 1/F., Ching Cheong Industrial Building, 1-7 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong from the date of this circular to and including the date of the AGM and at the AGM.

The major differences between the 2009 Share Option Scheme and the 2020 Share Option Scheme are as follows:

	<b>2009 Share Option Scheme</b>	<b>2020 Share Option Scheme</b>
Period of the Scheme	10 years commencing from 2 November 2009	10 years commencing from the date of adoption of the 2020 Share Option Scheme
Option Period	In respect of any particular option, the period to be determined by the Board at the time of making an offer which shall not expire later than 10 years from the date of grant of the relevant option	In respect of any particular Option, the period to be determined by the Board at the time of making an offer which shall not expire later than 10 years from the date of grant of the relevant option. There is no difference between the 2009 Share Option Scheme and the 2020 Share Option Scheme.
Restrictions on grant of share options	Share options may only be granted: (i) within 42 days from the date of adoption of the 2009 Share Option Scheme, (ii) within 42 days from any amendment to the 2009 Share Option Scheme being approved and adopted, (iii) in each period of 42 days immediately following the date on which the Company makes the preliminary announcement of its results of a financial year or the announcement of its interim results for half financial year, (iv) in any other period of 42 days following the occurrence of an event which, in the opinion of the Board, is an exceptional event relating to or affecting the Group; and (v) within the period of 42 days commencing on the day immediately following the day of commencement of a participant's employment of the Group.	The said restrictions under the 2009 Share Option Scheme is not contained in the 2020 Share Option Scheme.  Under the 2020 Share Option Scheme, no option shall be granted: (i) after the Board is in possession of inside information or unpublished price sensitive information; (ii) in each period of one month immediately before the earlier of (a) the date of the Board meeting for the approval of the Company's results; or (b) the deadline for the Company to announce its results; and (iii) to any Director during the period of 60 days prior to the publication of the Company's annual results.

## LETTER FROM THE BOARD

At the AGM, an ordinary resolution will be proposed to approve the adoption of the 2020 Share Option Scheme and authorise the Directors to grant Options thereunder and to allot and issue Shares pursuant to the 2020 Share Option Scheme.

None of the Directors is a trustee of the 2020 Share Option Scheme or has any direct or indirect interest in such trustee of the 2020 Share Option Scheme, if any. As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the ordinary resolution to approve and adopt the 2020 Share Option Scheme.

### GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

Ordinary resolutions will be proposed at the AGM to grant to the Directors new general mandates:

- (i) to allot, issue and otherwise deal with new Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the entire issued share capital of the Company as at the date of passing of the resolution; and
- (ii) to repurchase Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the entire issued share capital of the Company as at the date of passing of the resolution.

In addition, a separate ordinary resolution will also be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if granted to the Directors at the AGM).

As at the Latest Practicable Date, the entire issued share capital of the Company comprised 1,249,637,884 Shares. Subject to the passing of the relevant resolution at the AGM, the Company will be allowed under the Issue Mandate to issue, allot and deal with a maximum of 249,927,576 Shares on the basis that no further Shares will be issued or repurchased between the Latest Practicable Date and the AGM.

An explanatory statement containing information required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate to be proposed at the AGM is set out in Appendix III to this circular.

### ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 22 to 27 of this circular. A form of proxy (as applicable) for use in respect of the AGM is enclosed.

If you are a Shareholder and are not able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and any power of attorney or other authority (if any) under which it is signed, or a certified copy of that power of attorney, to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM, or to Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by 5:00 p.m. (UK time) on Thursday, 24 December 2020.

Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the AGM, or any adjournment thereof, if they so wish and in such event the relevant form of proxy shall be deemed to be revoked.

## LETTER FROM THE BOARD

### VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll except where the chairman of the AGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted at by a show of hands. Further, according to bye-law 72 of the Bye-Laws, a resolution put to the vote of a general meeting shall be decided by way of a poll. The results of the poll will be published on the respective websites of the HKEx and the Company as soon as possible in accordance with Rule 13.39(5) of the Listing Rules.

### RESPONSIBILITY STATEMENT

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

### RECOMMENDATION

The Directors are of the opinion that the proposed ordinary resolutions for the re-election of the retiring Directors, the adoption of the 2020 Share Option Scheme, the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders to vote in favour of each of the relevant resolutions to be proposed at the AGM as set out in the AGM Notice.

### GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I, Appendix II and Appendix III to this circular. The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,  
By Order of the Board  
**Asian Citrus Holdings Limited**  
**Ng Ong Nee**  
*Chairman*

The biographical details of the Directors who have offered themselves for re-election are set out below.

**Mr. Ng Ong Nee**, an Executive Director, Chief Executive Officer and a member of the Remuneration Committee

Mr. Ng Ong Nee, aged 67, joined the Board on 3 March 2014 as an Executive Director and was appointed as the Chairman of the Board on 4 August 2015. He is also a director of several subsidiaries of the Company. He is responsible for the overall strategic planning and direction of the Group. He has over 30 years of commercial and managerial experience in a variety of businesses and industries, including, in particular, strategic management, biological business and capital markets. Before joining the Company, he worked as the chief executive officer for a number of companies with multi-national businesses and investments. He has been responsible for leading, developing and executing the overall strategy and the day-to-day operations. He has been an Executive Committee member of the Chinese Enterprises Investment Association since 2013 and he was the vice president of the Hong Kong Australia Investment Association from 2007 to 2012. He was also a president of the Shenzhen-Hong Kong Business Association from 2006 to 2009.

As at the Latest Practicable Date, Changjiang Tyling Management Company Limited, a controlled corporation of Mr. Ng in which Mr. Ng controls 50% of shares, had interests in 179,252,394 Shares. Accordingly, Mr. Ng was deemed to be interested in 179,252,394 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ng does not hold any positions with the Company and other members of the Group and did not hold any directorships in the last three years in other listed companies in Hong Kong or overseas; and he is not related to any other directors, senior management or substantial or controlling shareholders of the Company.

Mr. Ng has a three-year term service contract with the Company commencing on 3 March 2020. Mr. Ng's remuneration package includes director fee, benefits, housing allowance and share options. He is entitled to an annual basic salary of HK\$1,440,000 payable on a monthly basis together with a payment of HK\$120,000 (or a pro-rata thereof, if having less than 12 months' service) before each Chinese New Year, which is determined with reference to his duties and responsibilities and the prevailing market conditions. For the year ended 30 June 2020, the total amount of his emoluments was approximately RMB3,004,000 (equivalent to HK\$3,288,000).

The service contract may be terminated by either party by a written notice of not less than three months. Mr. Ng is, however, subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Bye-Laws. Mr. Ng will retire at the AGM and, being eligible, has offered himself for re-election at the AGM.

Save as disclosed above, there are no other matters concerning Mr. Ng that need to be brought to the attention of the holders of securities of the Company and there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

**Mr. He Xiaohong**, a Non-executive Director

Mr. He Xiaohong, aged 45, joined the Board on 10 February 2017 as a Non-executive Director. He is the general manager of Shenzhen Yin Tong Lian Assets Appraisal Company Limited. He obtained the degree of Bachelor of Business Administration from Central South University in the PRC in 2013. He is also an economist accredited by Ministry of Human Resources and Social Security of the PRC.

As at the Latest Practicable Date, Mr. He had no interests or was not deemed to be interested in any shares or underlying shares of the Company or its associated corporation within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. He does not hold any positions with the Company and other members of the Group and did not hold any directorships in the last three years in other listed companies in Hong Kong or overseas; and he is not related to any other directors, senior management or substantial or controlling shareholders of the Company.

Mr. He had entered into letter of appointment dated 10 February 2020, for a term of three years commencing on 10 February 2020, of which the remuneration package includes director fee, benefits and share options. He is entitled to an annual director's fee of HK\$360,000 payable on a monthly basis, which is determined with reference to his duties and responsibilities and the prevailing market conditions. He is not entitled to any bonus payment. For the year ended 30 June 2020, the total amount of his emoluments was approximately RMB329,000 (equivalent to HK\$360,000).

The letter of appointment may be terminated by either party by a written notice of not less than three months. Mr. He is, however, subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to the Bye-Laws. Mr. He will retire at the AGM and, being eligible, has offered himself for re-election at the AGM.

Save as disclosed above, there are no other matters concerning Mr. He that need to be brought to the attention of the holders of securities of the Company and there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

The following is a summary of the principal terms of the 2020 Share Option Scheme to be proposed at the AGM:

**(a) Purpose of the 2020 Share Option Scheme**

The purpose of the 2020 Share Option Scheme is to recognise and motivate the contribution of the Eligible Persons to the Company and/or any of its Subsidiaries and/or any Invested Entities.

**(b) Who may join**

The Board may, at its discretion, invite any Eligible Persons to take up Options at a price calculated in accordance with sub-paragraph (d) below.

The Option will be offered for acceptance for such period as may be determined by the Board.

**(c) Grant of option**

No grant of Options shall be made by the Board after the Board is in possession of inside information or unpublished price sensitive information, until (and including) the trading day after such information has been announced pursuant to the requirements of the Listing Rules. In particular, during the period commencing one month immediately before the earlier of:

- (i) the date of the Board meeting for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); or
- (ii) the deadline for the Company to announce its results for any year or 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 Option may be granted. The period during which no Option may be granted will cover any period of delay in the publication of a results announcement. In addition, no Options shall be granted to any Eligible Persons who is a Director during the period of 60 days immediately preceding the publication date of the Company's annual results or, if shorter, the period from the end of the relevant financial year up to the publication of the results.

The total number of the Shares issued and to be issued upon exercise of the Options granted to any one Eligible Person under the 2020 Share Option Scheme (including exercised, cancelled and outstanding Options) in any 12-month period must not exceed 1 per cent. of the Shares in issue from time to time, provided that if separately approved by the Shareholders in general meeting with such Eligible Person and his/her close associates (or his/her associates if such Eligible Person is a connected person) abstaining from voting, the Company may make a further grant to such Eligible Person (the "**Further Grant**") notwithstanding that the Further Grant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted under the 2020 Share Option Scheme and Other Schemes to such Eligible Person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1 per cent. of the Shares in issue from time to time. In relation to the Further Grant, the Company must send a circular to the Shareholders, which discloses the identity of the relevant Eligible Person, the number and the terms of the Options to be granted (and options previously granted to such Eligible Person under the 2020 Share Option Scheme and Other Scheme) and the information required under the Listing Rules. The number and terms (including the Subscription Price) of Options which is the subject of the Further Grant shall be fixed before the relevant Shareholders' approval and the date of meeting of the Board meeting for proposing the Further Grant should be taken as the date of grant for the purpose of calculating the relevant Subscription Price.

(d) **Price of the Shares**

The Subscription Price for the Shares subject to Options will be a price determined by the Board and notified to each Participant and will be at least the highest of (i) the closing price of the Shares on the Main Board as stated in the HKEx's daily quotations sheet on the date of grant of the Option, which must be a business day; (ii) the average closing price of the Shares on the Main Board as stated in the HKEx's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share.

(e) **Maximum number of the Shares**

- (i) The total number of the Shares which may be issued upon exercise of all options granted or to be granted under the 2020 Share Option Scheme and the Other Scheme must not in aggregate exceed 124,963,788 Shares, representing 10% of the Shares in issue as at the date of the AGM, on the basis that no further Shares will be issued prior to the date of the AGM (the "**Scheme Mandate Limit**") provided that options lapsed in accordance with the terms of the 2020 Share Option Scheme or the Other Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (ii) Subject to the approval of the Shareholders in general meeting, the Company may refresh the Scheme Mandate Limit to the intent that the total number of the Shares which may be issued upon exercise of all options to be granted under the 2020 Share Option Scheme and the Other Scheme under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of such Shareholders' approval provided that options previously granted under the 2020 Share Option Scheme and the Other Schemes (including those outstanding, cancelled, exercised or lapsed in accordance with the terms thereof) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed (the "**Refreshed Limit**").
- (iii) Subject to the approval of the Shareholders in general meeting, the Company may also grant Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate limit are granted only to Eligible Persons specifically identified by the Board before such Shareholders' approval is sought. In relation to the Shareholders' approval referred to in this subparagraph (iii), the Company shall send a circular to its Shareholders containing a generic description of the identified Participants, the number and terms of the Options to be granted, the purpose of granting Options to the identified Participants, an explanation as to how the terms of such Options serve the intended purpose and such other information required by the Listing Rules and as the Shareholders consider applicable.
- (iv) If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit, or if applicable, the Refreshed Limit referred to in paragraph (ii), has been approved in general meeting, the maximum number of Shares that may be issued upon exercise of all Options to be granted under the 2020 Share Option Scheme or any other share option schemes of the Company under the Scheme Mandate Limit, or if applicable, the Refreshed Limit referred to in paragraph (ii), as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.
- (v) Notwithstanding the foregoing, the Company may not grant any Option if such grant will result in the number of the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2020 Share Option Scheme and Other Scheme exceeding 30% of the Shares in issue from time to time.



**(f) Time of exercise of option**

Unless the Board determines otherwise, an Option may be exercised in accordance with the terms of the 2020 Share Option Scheme at any time during a period to be determined and notified by the Board, which shall in any event not later than 10 years from the date of grant of the Option subject to provisions for early termination thereof. The 2020 Share Option Scheme does not require a minimum period for which an Option must be held or a performance target which must be achieved before an Option can be exercised.

**(g) Rights of grantees**

An Option shall be personal to the Participant and shall not be assignable and no Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option or attempt so to do.

The grantees of Options shall not be entitled to any voting rights nor dividends until the name of such grantee has been entered into the share register of the Company. The Shares to be allotted upon the exercise of an Option will entitle the holders thereof to participate in voting, transfer and other rights including those arising on liquidation of the Company, all dividends and other distributions paid or made after the allotment of the relevant Shares.

**(h) Rights on death**

If a Participant dies before exercising the Option in full, his or her personal representative(s) may exercise the Option in full or in part (to the extent that it has become exercisable on the date of death and not already lapsed or exercised) within a period of 12 months from the date of death, failing which the Option will lapse.

**(i) Changes in capital structure**

If there is any alteration in the capital structure of the Company while any Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of shares as consideration in respect of a transaction to which any member of the Group is a party) or otherwise, such corresponding alterations (if any) shall be made in:

- (i) the number or nominal amount of the Shares (without fractional entitlements) which is the subject of the Option so far as unexercised; and/or
- (ii) the Subscription Price.

Except alterations made on a capitalisation issue, any alteration to the number of the Shares which is the subject of the Option and/or the Subscription Price shall be conditional on the independent financial advisors or the auditors of the Company confirming in writing to the Board that the alteration made is on the basis that the proportion of the issued share capital of the Company to which a Participant is entitled after such alteration shall remain the same as that to which he or she was entitled before such alteration. No such alteration shall be made to the effect of which would result in the aggregate amount payable on the exercise of any Option in full being increased. The capacity of the independent financial advisors or the auditors is that of experts and not of arbitrators and their certification shall be final and binding on the Company and the Participants in the absence of manifest error.

**(j) Rights on take-over**

If a general offer has been made to acquire all of the issued Shares other than those held by the offeror and any persons acting in concert with the offeror, and such offer, having been approved in accordance with applicable laws and regulatory requirements, become or is declared unconditional, the Participants shall be entitled to exercise his or her outstanding



Option to its full extent or any part thereof within 21 days after the date on which such offer becomes or is declared unconditional. For the purposes of this paragraph, “acting in concert” shall have the meaning ascribed to it under the Takeovers Code.

**(k) Rights on a compromise or arrangement**

- (i) If a compromise or arrangement between the Company and its members or creditors is proposed, the Company, a Participant shall be entitled to exercise all or any of his Options no later than 2 business days prior to the date of the meeting to be convened by the court for the purposes of considering such compromise or arrangement. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been exercised, lapse. If for any reason such compromise or arrangement is not approved by the court, the rights of the Participants to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised.
- (ii) In the event that a notice is given by the Company to its members to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, each Participant shall be entitled to exercise all or any of his Options at any time no later than 2 business days prior to the proposed general meeting of the Company. Upon passing of the resolution to voluntarily wind-up the Company, all Options shall, to the extent that they have not been exercised, lapse. If for any reason such resolution is not approved by the shareholders, the rights of the Participants to exercise their respective Options shall with effect from the date of the resolution not to approve the winding-up be restored in full but only up to the extent not already exercised.

**(l) Lapse of options**

An Option shall lapse forthwith (to the extent not already exercise) on the earliest of:

- (i) the relevant Option Period of the Option having expired;
- (ii) the expiry of the period referred to in paragraph (h);
- (iii) in the event that the Participant was an Eligible Employee, the date on which such Participant ceases to be an Eligible Employee by reason of his resignation or retirement from employment or the expiry of his employment contract or the termination of his employment on the grounds other than death or those specified in sub-paragraph (iv) below and in this connection, the date of cessation shall be the last day on which the Participant is actually at work with the Company or the relevant Subsidiary or the relevant Invested Entity;
- (iv) in the event that the Participant was an Eligible Employee, the date on which such Participant ceases to be an Eligible Employee by reason of the termination of his employment on any one or more of the grounds that he has been guilty of misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty and in this connection, a resolution of the Board to the effect that such employment has or has not been terminated on one or more of the grounds specified in this sub-paragraph shall be conclusive;
- (v) the expiry of any period referred to in paragraphs (j) and (k); and
- (vi) the date the Participant commits any breach of the provisions of paragraph (g).

**(m) Ranking of the Shares**

The Shares to be allotted and issued upon the exercise of an Option will be subject to the Bye-laws and will rank pari passu in all respects with the fully paid or credited as fully paid Shares in issue on the date of such issue.

**(n) Cancellation of options granted**

Any cancellation of Options granted but not exercised must be approved by the relevant Participant in writing. Any grant of new Options to the same Eligible Person may only be made under the 2020 Share Option Scheme with available unissued Options (excluding the cancelled Options) and in compliance with the terms of the 2020 Share Option Scheme. Details of the Options granted, including Options exercised or outstanding, under the 2020 Share Option Scheme, and Option that became void or non-exercisable as a result of termination must be disclosed in the circular to the shareholders seeking approval for the new scheme to be established after such termination.

Notwithstanding the above, new Options may be granted to the Option holder in substitution of his cancelled Options subject to the availability of the unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit.

**(o) Period of the 2020 Share Option Scheme**

The 2020 Share Option Scheme will remain valid and effective for a period of 10 years commencing from the Adoption Date, after which period no further Options may be granted but the provisions of the 2020 Share Option Scheme shall remain in all other respects in full force and effect and any options which have been granted and remain outstanding shall continue to be valid and exercisable in accordance with their terms of grant.

**(p) Adjustments to Options**

In the event of capitalization of capital reserves, bonus issue, share subdivision, rights issue or share consolidation of the Company, such corresponding adjustments (if any) shall be made by the Board as authorised at a general meeting to the number of Options and/or Subscription Price.

In addition, in respect of any such adjustments, the auditors or an independent financial adviser of the Company must confirm to the Directors in writing that the adjustments satisfy the requirements of Rule 17.03(13) of the Listing Rules.

**(q) Methods of adjustment of the 2020 Share Option Scheme*****(I) Adjustment methods of the number of Options***

In the event of capitalization of capital reserves, bonus issue, share subdivision, rights issue or share consolidation of the Company during the period from the date of announcement of the 2020 Share Option Scheme to the completion of share registration of the Options, the number of Options shall be adjusted accordingly. The adjustment methods are as follows:

***(i) Capitalization of capital reserves, bonus issue or share subdivision***

$$Q = Q_0 \times (1 + n)$$

Where:  $Q_0$  represents the number of Options prior to the adjustment;  $n$  represents the ratio of increase per share resulting from capitalization of capital reserves, bonus issue or share subdivision (i.e. the number of increased share(s) per share upon capitalization of capital reserves, bonus issue or share subdivision); and  $Q$  represents the number of Options after the adjustment.

***(ii) Rights issue***

$$Q = Q_0 \times P_1 \times (1 + n) / (P_1 + P_2 \times n)$$

Where:  $Q_0$  represents the number of Options prior to the adjustment;  $P_1$  represents the closing price of the Options as at the record date;  $P_2$  represents the price in respect of the rights issue;  $n$  represents the ratio of the rights issue (i.e. the number of shares to be issued under the rights issue in proportion to the total share capital of the Company prior to the rights issue); and  $Q$  represents the number of Options after the adjustment.

(iii) *Share consolidation*

$$Q = Q_0 \times n$$

Where:  $Q_0$  represents the number of Options prior to the adjustment;  $n$  represents the ratio of consolidation of shares (i.e. one share of the Company shall be consolidated into  $n$  share); and  $Q$  represents the number of Options after the adjustment.

(iv) *New issue*

In the event of issue of new shares by the Company, the number of Options will not be adjusted.

(2) *Adjustment methods of the Subscription Price*

In the event of capitalization of capital reserves, bonus issue, share subdivision, rights issue or share consolidation of the Company during the period from the date of announcement of the 2020 Share Option Scheme to the completion of share registration of the Options, the Subscription Price of Options should be adjusted accordingly, but no adjustments may be made to the extent that the Subscription Price would be lower than the nominal value of the shares. The adjustment methods are as follows:

(i) *Capitalization of capital reserves, bonus issue or share subdivision*

$$P = P_0 \div (1 + n)$$

Where:  $P_0$  represents the Subscription Price prior to the adjustment;  $n$  represents the ratio of increase per share resulting from the capitalization of capital reserves, bonus issue or share subdivision; and  $P$  represents the Subscription Price after the adjustment.

(ii) *Rights issue*

$$P = P_0 \times (P_1 + P_2 \times n) / [P_1 \times (1 + n)]$$

Where:  $P_0$  represents the Subscription Price prior to the adjustment;  $P_1$  represents the closing price of the Options as at the record date;  $P_2$  represents the Subscription Price in respect of the rights issue;  $n$  represents the ratio of the rights issue (i.e. the number of shares to be issued under the rights issue in proportion to the total share capital of the Company prior to the rights issue); and  $P$  represents the Subscription Price after the adjustment.

(iii) *Share consolidation*

$$P = P_0 \div n$$

Where:  $P_0$  represents the Subscription Price prior to the adjustment;  $n$  represents the ratio of share consolidation; and  $P$  represents the Subscription Price after the adjustment.

(iv) *New issue*

In the event of issue of new shares by the Company, the Subscription Price of the Options will not be adjusted.

**(r) Alteration to and Termination of 2020 Share Option Scheme**

The 2020 Share Option Scheme may be altered in any respect by resolution of the Board, except that the provisions of the 2020 Share Option Scheme relating to matters contained in Rule 17.03 of the Listing Rules shall not be altered to the advantage of the Participants or prospective Participants except with the prior sanction of a resolution of the Company in general meeting (with the Eligible Persons, the Participants and their associates abstaining from voting). No alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Participants as would be required of shareholders of the Company under the Bye-Laws for the time being of the Company for a variation of the rights attached to the Shares. Any alteration to the terms and conditions of the 2020 Share Option Scheme which are of a material nature shall be approved by the shareholders of the Company in general meeting, except where the alterations take effect automatically under the existing terms of the 2020 Share Option Scheme.

The Company by ordinary resolution in general meeting may at any time terminate the operation of the 2020 Share Option Scheme before the end of its life and in such event no further Options will be offered but the provisions of the 2020 Share Option Scheme shall remain in all other respects in full force and effect in respect of Options granted prior thereto but not yet exercised at the time of termination which shall continue to be exercisable in accordance with their terms of grant.

**(s) Grant of options to connected persons, Directors or any of their associates**

Where Options are proposed to be granted to a director, chief executive or substantial shareholder of the Company or any of their respective associates, the proposed grant must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a prospective grantee of the Options). The relevant grantee, his associates and all core connected persons of the Company must abstain from voting in favour at the general meeting.

If a grant of Options to a substantial Shareholder or an independent non-executive Director or any of their respective associates will result in the total number of the Shares issued and to be issued upon exercise of the Options granted and to be granted to such person under the 2020 Share Option Scheme and the Other Scheme (including exercised, cancelled and outstanding Options) in any 12-month period up to and including the proposed date of the grant exceeding 0.1% of the Shares in issue and having an aggregate value, based on the closing price of the Shares at the proposed date of each grant, in excess of HK\$5 million, then the proposed grant of Options must be subject to Shareholders' approval in general meeting taken on a poll. Such grantees, their respective associates and all core connected persons of the Company must abstain from voting at such general meeting, except that any the aforesaid parties may vote against the resolution provided that his intention to do so has been stated in the circular relating to such Shareholders' approval. Shareholders' approval will also be required for any change in the terms of any Options granted to an Eligible Person who is a substantial Shareholder (as defined in the Listing Rules), an independent non-executive Director or their respective associates.

In relation to the Shareholder's approval, the circular must contain the following:

- (i) details of the number and terms of the Options (including the Subscription Price relating thereto) to be granted to each Eligible Person;
- (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a prospective grantee of the Options in question) to the independent Shareholders as to voting; and
- (iii) all other information as required by the Listing Rules.

This appendix includes an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to be presented to the Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors.

### **1. SHAREHOLDERS' APPROVAL**

The Listing Rules provide that all share repurchases on the market by a company with its primary listing on the HKEx must be approved in advance by an ordinary resolution, which may be by way of general mandate, or in relation to specific transactions. According to the bye-law 3(2) of the Bye-laws, it is stipulated that, inter alia, any power of the Company to purchase or otherwise acquire its own shares (including its redeemable shares) or warrants or other securities shall be exercisable by the Board.

### **2. SHARE CAPITAL**

As at the Latest Practicable Date, the entire issued share capital of the Company comprised 1,249,637,884 Shares.

Subject to the passing of the relevant resolutions to approve the general mandates to repurchase Shares and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 249,927,576 Shares (representing approximately 20% of the aggregate number of Shares in issue as at the date of passing of the relevant resolution) during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws to be held; or (iii) the revocation or variation of the authority given under the aforesaid resolutions by an ordinary resolution of the Shareholders in a general meeting.

### **3. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to give the Directors a general authority to exercise the power of the Company to repurchase its Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the material time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

### **4. FUNDING OF REPURCHASES**

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the memorandum of association of the Company and the Bye-Laws, the Listing Rules and the laws of Bermuda. The laws of Bermuda provide that such repurchases may only be effected out of the capital paid up on the repurchased shares or out of the funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

<b>APPENDIX III</b>	<b>EXPLANATORY STATEMENT TO REPURCHASE MANDATE</b>
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As compared with the financial position of the Company as at 30 June 2020 (being the date to which the latest audited consolidated financial statements of the Company have been made up), the Directors consider that there might be an adverse impact on the working capital and/or the gearing position of the Company in the event the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not have any present intention to repurchase any Shares and do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position, which in the opinion of the Directors are from time to time appropriate for the Company.

## 5. SHARE PRICES

The highest and lowest mid-market closing prices at which the Shares have been traded on the HKEx during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Trading price per Share	
	Highest (HK\$)	Lowest (HK\$)
<b>2019</b>		
November	–	–
December	–	–
<b>2020</b>		
January	–	–
February	–	–
March	–	–
April	–	–
May	–	–
June	–	–
July	–	–
August	–	–
September	0.405	0.221
October	0.280	0.230
November (up to and including the Latest Practicable Date)	0.230	0.171

## 6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the HKEx to exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws and regulations of Bermuda and the Bye-Laws.

## **7. EFFECT OF THE TAKEOVERS CODES**

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

To the best of the knowledge, information and belief of the Directors and on the basis of the shareholding of the Company as at the Latest Practicable Date, the Directors are currently not aware of any consequences which will arise under the Takeovers Codes as a result of any purchase of Shares to be made under the Repurchase Mandate, since none of the substantial shareholders of the Company would hold 30% or more of the shareholding of the Company after any repurchase.

The Listing Rules prohibit a company from making repurchase of shares on the HKEx if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the HKEx) of the company's issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

## **8. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

None of the Directors and, to the best of their knowledge and information and having made all reasonable enquiries, none of their close associates have any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares.

## **9. SHARE REPURCHASE MADE BY THE COMPANY**

No repurchase of Shares has been made by the Company (whether on the HKEx or otherwise) during the six months preceding the Latest Practicable Date.



## NOTICE OF AGM



# ASIAN CITRUS HOLDINGS LIMITED 亞洲果業控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 73)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “**AGM**”) of Asian Citrus Holdings Limited (the “**Company**”) will be held at United Conference Centre, Level 10, United Centre, 95 Queensway, Admiralty, Hong Kong on Wednesday, 30 December 2020 at 9:00 a.m. (Hong Kong time) for the purpose of considering and, if thought fit, passing the following ordinary resolutions of the Company:

### **AS ORDINARY BUSINESS**

1. To receive and adopt the audited consolidated financial statements and the reports of the Directors and the independent auditors of the Company for the year ended 30 June 2020;
2. To re-elect Mr. Ng Ong Nee as an Executive Director of the Company;
3. To re-elect Mr. He Xiaohong as a Non-executive Director of the Company;
4. To authorise the board of Directors of the Company (the “**Board**”) to fix the Directors’ remuneration;
5. To re-appoint HLB Hodgson Impey Cheng Limited as independent auditors of the Company to hold office from the conclusion of this AGM to the next annual general meeting, and to authorise the Board to fix their remuneration;

### **AS SPECIAL BUSINESS**

6. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**HKEx**”) granting approval of the listing of, and permission to deal in, the shares of the Company to be issued pursuant to the exercise of any options granted under the new share option scheme (the “**2020 Share Option Scheme**”) (a copy of which has been presented to the meeting marked “**A**” and signed for the purpose of identification by the chairman of the meeting), the 2020 Share Option Scheme be and is hereby approved and adopted; and that the directors of the Company be authorised to grant options and allot and issue shares of the Company upon exercise of the options pursuant to the 2020 Share Option Scheme; and that the

\* For identification purpose only



## NOTICE OF AGM

directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions and arrangements as may be necessary and expedient in order to give effect to the 2020 Share Option Scheme.”

7. **“THAT:**

- (a) subject to paragraph (c) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which might require the exercise of such powers during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (a) and (b) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme adopted by the Company; or (iii) an issue of Shares upon the exercise of subscription or conversion rights attached to the warrants which might be issued by the Company or any other securities which are convertible into Shares; or (iv) an issue of Shares in lieu of the whole or part of a dividend on the Shares or any scrip dividend or similar arrangement in accordance with the Bye-Laws, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

**“Relevant Period”** means the period from the time 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 or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by a resolution of the shareholders of the Company (the **“Shareholders”**) in a general meeting.

## NOTICE OF AGM

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the Shareholders on the register of members 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 any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

8. “**THAT** conditional upon the passing of resolutions nos. 7 and 9 in the notice convening this meeting of the Company, the aggregate nominal amount of the share capital of the Company repurchased by the Company pursuant to and in accordance with the said resolution no. 9 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the said resolution no. 7.”
  
9. “**THAT:**
  - (a) subject to paragraph (c) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued Shares on The Stock Exchange of Hong Kong Limited (the “**HKEx**”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the HKEx for this purpose, and that the exercise by the Directors of all powers of the Company to repurchase such Shares are subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the HKEx, be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
  - (c) the aggregate nominal amount of share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution above during the Relevant Period shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

## NOTICE OF AGM

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the time 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 or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution by a special resolution of the Shareholders in a general meeting.”

By Order of the Board  
**Asian Citrus Holdings Limited**  
**Ng Ong Nee**  
*Chairman*

Hong Kong, 30 November 2020

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton  
Bermuda HM 11

*Principal Place of Business in Hong Kong:*

1/F., Ching Cheong Industrial Building  
1-7 Kwai Cheong Road  
Kwai Chung, New Territories  
Hong Kong

As at the date of this notice, the Board comprises the following Directors:

*Executive Directors:*

Mr. Ng Ong Nee (*Chairman and Chief Executive Officer*)  
Mr. Ng Hoi Yue (*Deputy Chief Executive Officer*)

*Non-executive Director:*

Mr. He Xiaohong

*Independent Non-executive Directors:*

Mr. Chung Koon Yan  
Dr. Lui Ming Wah, PhD, SBS, JP  
Mr. Yang Zhen Han

## NOTICE OF AGM

*Notes:*

1. A form of proxy (as applicable) is enclosed.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
3. Any member of the Company (a “**Member**” or the “**Members**”) entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A Member who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf at a general meeting of the Company. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he/she or they represent(s) as such Member could exercise.
4. **The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company’s branch share registrars, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for Members whose names appear in the Company’s branch register of members in Hong Kong and who hold Shares in certificated form) not less than 48 hours before the time appointed for holding the meeting (or any adjournment thereof) at which the person named in the instrument proposes to vote, or Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by 5:00 p.m. (UK time) on Thursday, 24 December 2020 (for Members whose names appear in the Company’s register of members in Jersey and who hold Shares in certificated form).**
5. **Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event the form of proxy shall be deemed to be revoked.**
6. **In the case of joint holders of any Share, if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company (the “Register”) in respect of the joint holding.**
7. Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall be deemed to be present in person at any such meeting if a person so authorised is present thereat.
8. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 of the United Kingdom, only those Shareholders registered in the Register as of 24 December 2020 are entitled to attend or vote at the AGM of the Company in respect of the number of Shares registered in their names at that time. For Members whose names appear in the Company’s register of members in Jersey and who hold Shares in certificated form, in order to qualify for attending the AGM, all transfer documents, accompanied by the relevant share certificates, have to be lodged for registration with the Company’s branch share registrar in the UK, Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by 5:00 p.m. (UK time) on Thursday, 24 December 2020.

For Members whose names appear in the Company’s register of members in Hong Kong and who hold Shares in certificated form, the register of members of the Company in Hong Kong will be closed from Thursday, 24 December 2020 to Wednesday, 30 December 2020, both days inclusive, during the period of which no transfer of shares will be effected. In order to qualify for attending the AGM, all transfer documents, accompanied by the relevant share certificates, have to be lodged for registration with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. (Hong Kong time) on Wednesday, 23 December 2020.

Changes to entries on the Register after that time will be disregarded when determining the rights of any person to attend or vote in the AGM.

## NOTICE OF AGM

9. If a tropical cyclone warning signal no. 8 or above is expected to be hoisted or a black rainstorm warning signal is expected to be in force at any time between 8:00 a.m. and 5:00 p.m. (Hong Kong time) on the date of the meeting, the meeting will be postponed and Members will be informed of the date, time and venue of the postponed meeting by a supplementary notice posted on the respective websites of the Company and The Stock Exchange of Hong Kong Limited.

If a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is lowered or cancelled at or before 8:00 a.m. (Hong Kong time) on the date of the meeting and where conditions permit, the meeting will be held as scheduled.

The meeting will be held as scheduled when an amber or red rainstorm warning signal is in force.

After considering their own situations, Shareholder(s) should decide on their own whether or not they would attend the meeting under any bad weather condition and if they do so, they are advised to exercise care and caution.

10. Due to the recent development of the epidemic COVID-19, the Company will implement the following precautionary measures at the AGM:

- (i) a compulsory body temperature check and health declaration will be conducted on every person at the entrance of the venue. Any person with a body temperature of over 37.5 degrees Celsius or having any flu-like or other common COVID-19 symptoms will not be admitted to the venue;
- (ii) no entry to the venue will be allowed for any attendee who is subject to quarantine order by the Government of the Hong Kong Special Administrative Region;
- (iii) every attendee is required to wear a surgical face mask at all times at the venue. No surgical face masks will be provided by the Company at the AGM. Any person who does not wear a surgical face mask will not be permitted to enter into the venue;
- (iv) should any attendee decline any of the abovementioned measures, the Company reserves the right to refuse to admit such person to the venue;
- (v) no beverage or refreshment will be served and no corporate gifts will be distributed before, during or after the AGM; and
- (vi) Shareholders or proxies may be directed to sit in different partitioned rooms or areas to ensure adequate physical distance among them and compliance with the relative regulation.

The Company would like to remind the Shareholders that they should carefully consider the risks of attending the AGM, taking into account their own personal circumstances, especially that physical attendance in person at the AGM is not necessary for the Shareholders to exercise their voting rights. The Company recommends that Shareholders may appoint the chairman of the AGM as their proxy to vote on their behalf and should submit their form of proxy as early as possible.