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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 stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

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

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奧園健康生活集團有限公司

AOYUAN HEALTHY LIFE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3662)

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

Capitalised terms used in this cover page should have the same meanings as those defined in the section headed “Definitions” in this circular.

The notice convening the Annual General Meeting of Aoyuan Healthy Life Group Company Limited to be held at Event Room 1&2, Lower Ground Floor, New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 24 August 2022 at 2:00 p.m. is set out on pages 29 to 33 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.aoyuanjksh.com>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office 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 as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting or any adjournment or postponement (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjournment or postponement should you so wish and in such event, the form of proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see pages 1 and 2 of this circular for measures being taken to try to prevent and control the spread of the Coronavirus disease 2019 (COVID-19) at the Annual General Meeting, including:

- compulsory temperature checks and health declarations
- scanning of the “LeaveHomeSafe” venue QR code and complying with the vaccination requirements of the Vaccine Pass announced by the government of Hong Kong
- strongly recommended wearing of surgical face masks
- no distribution of corporate gifts and refreshments
- complying with any other additional precautionary measures in accordance with the prevailing requirements or guidelines of the government and/or regulatory authorities, or as considered appropriate in light of the development of COVID-19

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. The Company strongly encourages attendees to wear face masks and reminds Shareholders that they may appoint the Chairman of the Annual General Meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attending the Annual General Meeting in person.

25 July 2022

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing Coronavirus disease 2019 (COVID-19) and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the Annual General Meeting to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration form confirming their names and contact details, and confirming that they have not travelled to, or to their best of knowledge had close contact with any person who has recently travelled to, any affected countries or areas outside of Hong Kong (as per guidelines issued by the Hong Kong government at <http://www.chp.gov.hk/en/features/102742.html>) at any time in the preceding 14 days. Any person who does not comply with this requirement may be denied entry into the AGM venue or be required to leave the AGM venue.
- (iii) All Shareholders, proxies and other attendees entering the AGM venue must scan the “LeaveHomeSafe” venue QR code using the “LeaveHomeSafe” mobile application and complying with the vaccination requirements of the Vaccine Pass announced by the government of Hong Kong (by presenting valid vaccination/medical exemption/recovery record, as applicable) upon entering the AGM venue. For Vaccine Pass vaccination requirements and implementation arrangements, please refer to the “COVID-19 Thematic Website” (<https://www.coronavirus.gov.hk>).
- (iv) The Company strongly recommends attendees to wear surgical face masks inside the AGM venue at all times, and to maintain a safe distance between seats.
- (v) No refreshments will be served, and there will be no corporate gifts.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the Annual General Meeting.

In the interest of all stakeholders’ health and safety and consistent with recent COVID-19 guidelines or regulations for prevention and control, the Company reminds all Shareholders that physical attendance in person at the Annual General Meeting is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the Annual General Meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting instead of attending in person.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

The proxy form is enclosed with this circular for Shareholders who opt to receive physical circulars. Alternatively, the proxy form can be downloaded from the “Investor Relations” section of the Company’s website at <http://en.aoyuanjksh.com/Investor/Circulars.aspx>. If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

Subject to the development of the COVID-19, the Company may be required to change the arrangements of the Annual General Meeting at short notice and/or impose additional precautionary measures in accordance with the prevailing requirements or guidelines of the government and/or regulatory authorities of Hong Kong, or as considered appropriate in light of the development of COVID-19. Shareholders are advised to check the Company’s website for further announcements and updates on the arrangements of the Annual General Meeting.

If Shareholders choosing not to attend the Annual General Meeting in person have any questions about the relevant resolutions, or about the Company or any matters for communication with the Board, they are welcome to contact the Company via the Company’s investor relations department as follows:

Investor Relations
Email: ir@aoyuanhealthy.com
Tel: 852 3916 2688
Fax: 852 3907 0333

If Shareholders have any questions relating to the Annual General Meeting, please contact Computershare Hong Kong Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor, Hopewell Centre
183 Queen’s Road East
Wanchai, Hong Kong
E-mail: hkinfo@computershare.com.hk
Tel: 852 2862 8555
Fax: 852 2865 0990

DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Event Room 1&2, Lower Ground Floor, New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 24 August 2022 at 2:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the annual general meeting which is set out on pages 29 to 33 of this circular, or any adjournment or postponement thereof
“Articles of Association”	the second amended and restated articles of association of the Company currently in force
“Auditors”	the auditors of the Company for the time being
“Board”	the board of Directors
“chief executive”	has the meaning ascribed to it under the Listing Rules
“China Aoyuan”	China Aoyuan Group Limited (中國奧園集團股份有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3883)
“Company”	Aoyuan Healthy Life Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 3662)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting
“Latest Practicable Date”	20 July 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Date”	18 March 2019, being the date on which the Shares are listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“New Articles of Association”	the third amended and restated articles of association of the Company incorporating and consolidating all the Proposed Amendments to be considered and approved for adoption by way of special resolution at the Annual General Meeting
“Parent Group”	China Aoyuan and its subsidiaries (excluding the Group)
“PRC”	the People’s Republic of China and for the purpose of this circular, does not include Hong Kong, the Macau Special Administrative Region and Taiwan
“Proposed Amendments”	the proposed amendments to the Articles of Association set out in Appendix III to this circular
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company

DEFINITIONS

“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission in Hong Kong as amended, supplemented or otherwise modified from time to time

References to time and dates in this circular are to Hong Kong time and dates.

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

* *All of the English titles or names of the PRC entities, as well as certain items contained in this circular have been included for identification purpose only. If there is any inconsistency, the Chinese titles or names shall prevail.*

LETTER FROM THE BOARD



奧園健康生活集團有限公司
AOYUAN HEALTHY LIFE GROUP COMPANY LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3662)

Board of Directors:

Executive Directors

Mr. Zheng Wei
Mr. Cheng Siu Fai

Non-executive Directors

Mr. Guo Zining (Chairman)
Mr. Ruan Yongxi

Independent Non-executive Directors

Mr. Hung Ka Hai Clement
Dr. Li Zijun
Mr. Wang Shao

Registered Office:

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

**Principal Place of Business in
Hong Kong:**

Units 1901-02, 19th Floor
One Peking
No. 1 Peking Road
Tsim Sha Tsui, Kowloon
Hong Kong

25 July 2022

To the Shareholders

Dear Sir/Madam,

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

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Wednesday, 24 August 2022 including, among other things, (i) the re-election of retiring Directors; (ii) the granting to the Directors of the Share Repurchase Mandate to repurchase Shares, the Issuance Mandate to issue Shares and the extension of the Issuance Mandate to include number of Shares repurchased under the Share Repurchase Mandate; (iii) the adjournment in (a) the receiving, consideration and adoption of the audited consolidated financial statements of the Group and the reports of the Directors and the Auditors for the financial year ended 31 December 2021 and (b) the re-appointment of the Auditors and the fixing of their remuneration; and (iv) the Proposed Amendments.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 83(3) of the Articles of Association, Mr. Cheng Siu Fai shall hold office until the first general meeting of Shareholders after his appointment with effect from 25 November 2021 and be subject to re-election at such meeting. Mr. Cheng Siu Fai will retire at the forthcoming Annual General Meeting. In accordance with Article 84(1) and (2) of the Articles of Association, Mr. Ruan Yongxi, Mr. Hung Ka Hai Clement and Dr. Li Zijun shall retire at the Annual General Meeting. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

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

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 25 May 2021, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting (i.e. a total of 72,625,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

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

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the last annual general meeting of the Company held on 25 May 2021, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting (i.e. a total of 145,250,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

5. ADJOURNMENT IN (A) THE RECEIVING, CONSIDERATION AND ADOPTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP AND THE REPORTS OF DIRECTORS AND AUDITORS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 AND (B) THE RE-APPOINTMENT OF THE AUDITORS AND THE FIXING OF THEIR REMUNERATION

Reference is made to the announcement of the Company dated 30 March 2022 in relation to, among others, delay in the publication of the annual results of the Group for the financial year ended 31 December 2021 (the “**2021 Annual Results**”) and the despatch of the Company’s annual report for the financial year ended 31 December 2021 (the “**2021 Annual Report**”). As additional time is required for the Auditors to complete the audit process for the 2021 Annual Results, the Company is not able to publish the 2021 Annual Results and despatch the 2021 Annual Report as at the Latest Practicable Date. Accordingly, ordinary resolutions will be proposed at the AGM to adjourn (a) the receiving, consideration and adoption of the audited consolidated financial statements of the Group and the reports of the Directors and the Auditors for the financial year ended 31 December 2021; and (b) the re-appointment of the Auditors and the fixing of their remuneration.

6. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 31 March 2022 in relation to the Proposed Amendments.

To reflect recent amendments made to the relevant Listing Rules, including Appendix 3 to the Listing Rules with effect from 1 January 2022, the Board proposes that the Company amends the Articles of Association in order to bring the Articles of Association in line with the latest legal and regulatory requirements under the applicable laws of the Cayman Islands and the Listing Rules.

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

The legal advisers to the Company as to the Hong Kong laws and the Cayman Islands laws have respectively confirmed that the Proposed Amendments comply with the applicable requirements of the Listing Rules and do not violate the laws of the Cayman Islands. The Company also confirms that there is nothing unusual in the Proposed Amendments from the perspective of a company listed on the Stock Exchange.

LETTER FROM THE BOARD

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

The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting.

7. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 29 to 33 of this circular.

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

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.aoyuanjksh.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar and transfer office 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 as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting or any adjournment or postponement (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment or postponement should you so wish and in such event, the form of proxy shall be deemed to be revoked.

8. RECOMMENDATION

The Directors consider that all the resolutions proposed for consideration and approval by the Shareholders at the Annual General Meeting, including, among others, the re-election of retiring Directors, granting of the Share Repurchase Mandate and the Issuance Mandate and amendments to the Articles of Association are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, there is no Shareholder who has any material interest in the matters proposed to be approved at the Annual General Meeting, therefore no Shareholder is required to abstain from voting on the resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

9. 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.

Yours faithfully,
For and on behalf of the Board
Aoyuan Healthy Life Group Company Limited
Mr. Guo Zining
Chairman

Set out below are details of the Directors who will retire and are eligible, offer themselves for re-election at the Annual General Meeting.

Mr. Cheng Siu Fai, aged 48, is an executive Director. He possesses extensive working experience in several aspects, such as financial management, corporate finance, capital market and investor relations. From April 2020 to November 2020, Mr. Cheng had served as the vice president and the Chief Financial Officer of the Group and was in charge of the relevant sectors of the Group, such as financial, capital management, corporate finance, capital market operations and investor relations. He graduated from Curtin University in Australia with a bachelor's degree in accounting and economics. Prior to joining the Group, Mr. Cheng successively served as a finance manager, general finance manager, financial controller of China Aoyuan and vice president of international investment group of China Aoyuan from July 2007 to April 2020. He has been re-appointed as vice president of international investment group of China Aoyuan from August 2021.

Save as disclosed above, Mr. Cheng did not hold any directorship in other listed public companies in the last three years and he is not related to any Director, senior management, other substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

Mr. Cheng has entered into a service contract with the Company for an initial term of three years commencing from 25 November 2021 which is renewable automatically and can be terminated by either party giving three months' written notice. He is subject to retirement and re-election at the Annual General Meeting after his appointment and will also be subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the Articles of Association. Mr. Cheng is entitled to receive a salary being HKD1,500,000 per annum, which is commensurate with his duties and responsibilities as an executive Director and the prevailing market situation and discretionary bonuses pegged to his performance.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Cheng had the following interests in the shares of China Aoyuan pursuant to Part XV of the SFO:

Capacity	Number of shares (Note 1)	Percentage of issued share capital in China Aoyuan
Beneficial owner	100,000(L)	0.00%

Note:

(1) The letter "L" denotes the long positions in the shares.

Save as disclosed above, Mr. Cheng did not have or was not deemed to have any other interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations pursuant to Part XV of the SFO.

There is no information which is disclosable nor is Mr. Cheng involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Cheng that need to be brought to the attention of the Shareholders.

Mr. Ruan Yongxi, aged 42, is a non-executive Director. He graduated from Guangdong University of Foreign Studies (廣東外語外貿大學) in June 2002, majoring in accounting. Mr. Ruan has over 20 years of experience in professional audit and finance. He is currently the vice president of the Parent Group, and is the executive vice president of Aoyuan Yuekang Holding Group Co., Ltd.* (奧園悅康控股集團有限公司) (“**Yuekang Holding**”), which undertakes the non-property businesses of China Aoyuan. Mr. Ruan is responsible for the strategy, investment and operation management of Yuekang Holding, and the works of Aoyuan Cultural Tourism Group. He joined China Aoyuan in March 2018 when he served as a director of the investment banking department in China Aoyuan until December 2018. He also served as an assistant to the president of China Aoyuan and the general manager of the strategic investment center of China Aoyuan. Between April 2019 and June 2022, Mr. Ruan served as a non-executive director of Gudou Holdings Limited (古兜控股有限公司), the shares of which are listed on GEM of the Stock Exchange (stock code: 8308). From July 2014 to April 2015, he served as the general manager of the finance department of Fantasia Group (China) Co., Ltd.* (花樣年集團(中國)有限公司), which is an indirect wholly-owned subsidiary of Fantasia Holdings Group Co., Limited (花樣年控股集團有限公司), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1777). Mr. Ruan was the assistant chief financial officer of China Evergrande Group (中國恒大集團), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3333), from August 2008 to June 2014 and the manager of the audit and assurance department of Deloitte Touche Tohmatsu CPA Limited (Guangzhou Branch) from October 2002 to August 2008.

Save as disclosed above, Mr. Ruan did not hold any directorship in other listed public companies in the last three years and he is not related to any Director, senior management, other substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

Mr. Ruan has entered into a letter of appointment with the Company for an initial term of three years commencing from 29 January 2021, which provided that either party can at any time terminate the appointment by giving to the other party not less than three months' prior notice in writing. He is subject to retirement and re-election at the Annual General Meeting after his appointment and will also be subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the Articles of Association. Mr. Ruan is entitled to receive a salary being RMB150,000 per annum.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Ruan had the following interests in the Shares pursuant to Part XV of the SFO:

Capacity	Number of Shares (Note 1)	Percentage of issued share capital in the Company
Beneficial owner	278,000(L)	0.04%

Note:

(1) The letter “L” denotes the long positions in the shares.

Save as disclosed above, Mr. Ruan did not have or was not deemed to have any other interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations pursuant to Part XV of the SFO.

There is no information which is disclosable nor is Mr. Ruan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Ruan that need to be brought to the attention of the Shareholders.

Mr. Hung Ka Hai Clement, aged 66, is an independent non-executive Director. He is also the chairman of each of the audit committee of the Company (the “**Audit Committee**”) and the remuneration committee of the Company (the “**Remuneration Committee**”) as well as a member of the nomination committee of the Company (the “**Nomination Committee**”). Mr. Hung obtained a Bachelor of Arts degree from the University of Huddersfield (now University of Lincoln), United Kingdom in 1980. He had served Deloitte China for 31 years where he had assumed various leadership roles before he took up the chairman position of Deloitte China from 2014 to 2016. Mr. Hung retired from Deloitte China with effect from June 2016. When he was working with Deloitte China, he had assumed various leadership roles, including the managing partner of Deloitte Shenzhen office and Guangzhou office. Mr. Hung was also a member of the China management team of Deloitte China. He had also assumed the role of the southern region audit leader and the deputy managing partner of the southern region of China (including Hong Kong, Macau, Shenzhen, Guangzhou, Xiamen and Changsha). Mr. Hung was also a board member of Deloitte Global.

Mr. Hung served as the Guangzhou Institute of Certified Public Accountants consultant from 2004 to 2014. During the period between 2006 and 2011, he also served as a member of the Political Consultative Committee of Luohu District, Shenzhen. After his retirement as the chairman of Deloitte China, he was appointed as an expert consultant of The Ministry of Finance in the PRC. Mr. Hung is a life member of The Institute of Chartered Accountants in England and Wales.

Mr. Hung has, in the past three years, served or is serving as a director of each of the following listed companies whose shares are listed on the Stock Exchange:

- an independent non-executive director of Gome Finance Technology Company Limited (formerly known as Sino Credit Holdings Limited) (stock code: 628) since 31 October 2016;
- an independent non-executive director of Sheng Ye Capital Limited (stock code: 8469, the listing of the shares of which has been transferred to the Main Board (stock code: 6069) from GEM of the Stock Exchange from 24 October 2019) from 19 June 2017 to 15 July 2022;
- a non-executive director of High Fashion International Limited (stock code: 608) since 1 December 2017;
- an independent non-executive director of China East Education Holdings Limited (stock code: 667) since 25 November 2018;
- an independent non-executive director of Huarong International Financial Holdings Limited (stock code: 993) since 13 December 2019;
- an independent non-executive director of Skyworth Group Limited (stock code: 751) since 18 March 2020;
- an independent non-executive director of Hong Kong Aerospace Technology Group Limited (stock code: 1725) since 16 July 2021;
- an independent supervisor of the 10th session of the supervisory committee of Ping An Insurance (Group) Company of China, Ltd. with effect from 18 July 2022;
- an independent non-executive director of Zhongchang International Holdings Group Limited (formerly known as Henry Group Holdings Limited) (stock code: 859) from 12 January 2018 to 15 June 2020; and
- an independent non-executive director of Tibet Water Resources Limited (stock code: 1115) from 31 December 2019 to 30 June 2021.

Save as disclosed above, Mr. Hung did not hold any directorship in other listed public companies in the last three years and he is not related to any Director, senior management, other substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

Mr. Hung has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from the Listing Date which is renewable automatically subject

to retirement by rotation and re-election at annual general meetings of the Company and until terminated by giving to the other party not less than three months' prior notice in writing. Mr. Hung is entitled to an annual director's fee of HK\$360,000, such salary to be reviewed with reference to his duties and responsibilities as well as the prevailing market conditions.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Hung was not interested or deemed to be interested in any Shares, underlying Shares or debentures of the Company or its associated corporations pursuant to Part XV of the SFO.

There is no information which is disclosable nor is Mr. Hung involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Hung that need to be brought to the attention of the Shareholders.

Dr. Li Zijun, aged 57, is an independent non-executive Director. He is also the member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee.

Dr. Li is currently the deputy director of the East Medical District, the deputy director of the Union Center (協和中心) and the head physician of Gastroenterology in Guangdong General Hospital (廣東省人民醫院). He was a post-doctoral researcher at the University of Pennsylvania in the United States of America, a doctoral supervisor at Southern Medical University, a vice chairman of the Enteropathy Alliance of the Chinese Association of Integrative Medicine, and a member of the Standing Committees of the Chinese Geriatrics Society and Chinese Society of Gastroenterology. Dr. Li possesses more than 30 years of extensive clinical and teaching experience in the field of gastroenterology and is an expert in medical treatment and endoscopic treatment of chronic stomach, intestinal, liver and pancreatic diseases. He had been qualified to practice as a chief physician of Internal Medicine (內科主治醫師) since March 1995 and a deputy chief physician of Gastroenterology (消化內科副主任) since December 1999, and has been a chief physician of Gastroenterology (消化內科主任) since February 2006. Dr. Li obtained a Master's Degree in Internal Medicine (內科學) from Tongji Medical College (同濟醫科大學) in the PRC in June 1992 and a Doctor's Degree in Internal Medicine (內科學) from Sun Yat-sen Medical University (中山醫科大學) in the PRC in July 2011, and has published a number of dissertations so far. He received a Guangdong Science and Technology Award (Second Class) (廣東省科學技術獎 (二等獎)) for his research on experimental study on the mechanism and prevention of intestinal mucosal inflammatory injury (腸黏膜炎性損傷機制與防治的實驗研究) by People's Government of Guangdong Province in the PRC (中國廣東省人民政府) in July 2009. Dr. Li was successively awarded the titles of "Good Doctor in Guangzhou" and "Lingnan Renowned Doctor".

Save as disclosed above, Dr. Li did not hold any directorship in other listed public companies in the last three years and he is not related to any Director, senior management, other substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

Dr. Li has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from the Listing Date which is renewable automatically subject to retirement by rotation and re-election at annual general meetings of the Company and until terminated by giving to the other party not less than three months' prior notice in writing. Dr. Li is entitled to an annual director's fee of RMB240,000 such salary to be reviewed with reference to his duties and responsibilities as well as the prevailing market conditions.

As far as the Directors are aware, as at the Latest Practicable Date, Dr. Li was not interested or deemed to be interested in any Shares, underlying Shares or debentures of the Company or its associated corporations pursuant to Part XV of the SFO.

FURTHER INFORMATION IN RELATION TO THE RE-ELECTION OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to code provision B.3.4 of the Corporate Governance Code under Appendix 14 to the Listing Rules, when the Board proposes a resolution to elect an individual as an independent non-executive Director, the Company is required to disclose the information set out in B.3.4(a)-(d) of the Corporate Governance Code.

The recommendation of the re-election of Dr. Li and Mr. Hung to the Board was made in accordance with the Company's nomination policy and objective criteria (including without limitation professional experience, skills, knowledge, gender, age, cultural and educational background, ethnicity, and length of service), with due regard for the benefits of diversity, as set out under the Company's board diversity policy.

The Board has taken into account the contributions (including the attendance of meetings, level of participation and performance on Board, etc.) of Dr. Li and Mr. Hung and their commitment to their roles. The Company has also received their independence confirmations pursuant to Rule 3.13 of the Listing Rules and was satisfied with their independence.

In addition, the Board has also taken into the account the following factors in relation to the re-election of each of Dr. Li and Mr. Hung.

Dr. Li

Dr. Li, being a member of the Nomination Committee, had abstained from voting at meeting of the Nomination Committee when his own nomination was considered. The Board (including the independent non-executive Directors other than Dr. Li) considers that Dr. Li has been and will continue to fulfil his role and responsibilities diligently as an independent non-executive Director. To this, the Board (including the independent non-executive Directors other than Dr. Li) has taken into consideration that Dr. Li had attended most of the Board and all Board committee meetings where his attendance was required, and has made valuable contributions to the Board. Details of his attendance records are set out in the corporate governance report as enclosed in the annual report of the Company.

Mr. Hung

Pursuant to code provision B.3.4(b) of the Corporate Governance Code under Appendix 14 to the Listing Rules, when the Board proposes a resolution to elect an individual who will be holding their seventh (or more) listed company directorship as an independent non-executive Director, the Company is required to disclose why the Board believes such individual would still be able to devote sufficient time to the Board in the relevant circular to the Shareholders and/or explanatory statement accompanying the notice of the Annual General Meeting. As set out above, as at the Latest Practicable Date, Mr. Hung, an independent non-executive Director subject to re-election, is holding seven listed company directorships (including the directorship in the Company) and all such directorships are non-executive in nature.

Mr. Hung, being a member of the Nomination Committee, had abstained from voting at the meeting of the Nomination Committee when his own nomination was considered. The Board (including the independent non-executive Directors other than Mr. Hung) considers that Mr. Hung has been and will continue to fulfil his role and responsibilities diligently as an independent non-executive Director. To this, the Board (including the independent non-executive Directors other than Mr. Hung) has taken into consideration the following:

1. Same as the other independent non-executive Directors, Mr. Hung does not and will not engage in any management role of the Group. He supervises the management of the Group through his active attendance of the meetings of the Board and the Board committees (either physically or by other means of communications) and by providing independent, balanced and objective view to the Company's affairs. He has attended most of the Board and all Board committee meetings where his attendance was required, and has made valuable contributions to the Board with his experience in the accounting field. Details of his attendance records are set out in the corporate governance report as enclosed in the annual report of the Company.
2. With Mr. Hung's extensive experience and knowledge in accounting and auditing acquired and developed from his background and past experience as set out in the biographical information above, Mr. Hung has been able to bring about financial and corporate governance insights to the Board which were critical and complementary to effective Board decisions.
3. Mr. Hung has confirmed that none of his current commitments would require him to work intensively on a daily basis and he will continue to devote sufficient time for the discharge of his functions and responsibilities as an independent non-executive Director. Based on the foregoing, the Board believes that Mr. Hung's directorships in other listed companies other than the Company will not affect him in maintaining his current role and his functions and responsibilities as an independent non-executive Director.

In view of the above, the Board believes each of Dr. Li and Mr. Hung is independent and his education, background and experience will allow him to provide valuable insights and contribute to the diversity of the Board and therefore should be re-elected.

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

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 726,250,000 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 726,250,000 Shares, the Directors would be authorised under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 72,625,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

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

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

3. FUNDING OF SHARE REPURCHASE

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

4. IMPACT OF SHARE REPURCHASE

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

5. MARKET PRICES OF SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2022 (Friday) due to the delay in publication of the 2021 Annual Results and will continue to be suspended, pending the publication of the 2021 Annual Results. The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

Month	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
July	5.81	4.32
August	5.05	4.13
September	4.56	3.57
October	4.44	3.60
November	4.04	2.74
December	3.19	2.26
2022		
January	2.70	2.20
February	2.76	2.14
March	2.33	1.54
April	–	–
May	–	–
June	–	–
July (up to the Latest Practicable Date)	–	–

6. GENERAL

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

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

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

7. TAKEOVERS CODE

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

As at the Latest Practicable Date and to the best of knowledge and belief of the Directors, Main Trend Limited, an indirectly wholly-owned subsidiary of China Aoyuan, was beneficially interested in 396,375,000 Shares, representing approximately 54.58% of the issued share capital of the Company.

In the event that the Directors exercised in full the power to repurchase Shares under the Share Repurchase Mandate, the shareholding of Main Trend Limited would be increased to approximately 60.64%. The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors will also use their best endeavours to ensure that the Share Repurchase Mandate will not be exercised to such extent that the number of Shares held by the public will fall below the relevant minimum percentage as determined by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

The followings are the details of the Proposed Amendments. The English version shall prevail in case of any discrepancy or inconsistency between the English version and its Chinese translation.

Currently in force		Proposed to be amended as
No.	Second Amended and Restated Articles of Association	No. Third Amended and Restated Articles of Association
Article 9	Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.	Article 9 Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike. <u>INTENTIONALLY DELETED.</u>
Article 10(a)	the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorised representative or by proxy (whatever the number of shares held by them) shall be a quorum; and	Article 10(a) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorised representative or by proxy (whatever the number of shares held by them) shall be a quorum; and
Article 56	An annual general meeting of the Company shall be held in each year other than the year of the Company's adoption of these Articles (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or not more than eighteen (18) months after the date of adoption of these Articles, unless a longer period would not infringe the Listing Rules, if any).	Article 56 An annual general meeting of the Company shall be held in each <u>financial</u> year other than the <u>financial</u> year of the Company's adoption of these Articles (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or not more than eighteen (18) months after the date of adoption of these Articles, unless and such annual general meeting must be held within six (6) months after the end of Company's financial year (unless a longer period would not infringe the Listing Rules, if any).

Currently in force No.	Second Amended and Restated Articles of Association	Proposed to be amended as No.	Third Amended and Restated Articles of Association
Article 58	The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the Principal Meeting Place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.	Article 58	The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business <u>or resolution</u> specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the Principal Meeting Place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.
Article 59(1)	An annual general meeting must be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days. All other general meetings (including an extraordinary general meeting) must be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the Listing Rules, a general meeting may be called by shorter notice, subject to the Act, if it is so agreed:	Article 59(1)	An annual general meeting must be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days . All other general meetings (including an extraordinary general meeting) must be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the Listing Rules, a general meeting may be called by shorter notice, subject to the Act, if it is so agreed:
Article 61(2)	No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present (including attendance by electronic means) in person or by proxy shall form a quorum for all purposes.	Article 61(2)	No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present (including attendance by electronic means) in person or by proxy <u>or, for quorum purposes only, two persons appointed by the clearing house as authorized representative or proxy</u> shall form a quorum for all purposes.

Currently in force No.	Second Amended and Restated Articles of Association	Proposed to be amended as No.	Third Amended and Restated Articles of Association
Article 73(2)	Where the Company has knowledge that any Member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.	Article 73(2)	Where the Company has knowledge that any Member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted. <u>All Members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.</u>
		Article 73(3)	<i>(Newly added)</i> <u>Where the Company has knowledge that any Member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.</u>
Article 81(2)	If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including, where a show of hands is allowed, the right to vote individually on a show of hands.	Article 81(2)	If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including, <u>to speak and</u> where a show of hands is allowed, the right to vote individually on a show of hands.

Currently in force No.	Second Amended and Restated Articles of Association	Proposed to be amended as No.	Third Amended and Restated Articles of Association
Article 83(3)	The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.	Article 83(3)	The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director <u>so</u> appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following <u>first</u> annual general meeting of the Company <u>after his appointment</u> and shall then be eligible for re-election.
Article 100(1)	A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:	Article 100(1)	A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:
	<p>(a) any contract or arrangement for the giving to such Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his close associate(s) or obligations incurred or undertaken by him or any of his close associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;</p> <p>(b) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;</p> <p>(c) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;</p>		<p>(a) any contract or arrangement for the giving to such Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his close associate(s) or obligations incurred or undertaken by him or any of his close associate(s) at the request of or for the benefit of the Company or any of its subsidiaries; <u>the giving of any security or indemnity either:</u></p> <p>(i) <u>to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or</u></p> <p>(ii) <u>to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;</u></p>

Currently in force No.	Second Amended and Restated Articles of Association	Proposed to be amended as	Third Amended and Restated Articles of Association
(d)	any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; or	(b)	any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security; proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
(e)	any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to the Director or his close associate(s) and to employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.	(c)	any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer; proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
		(i)	the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
		(ii)	the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;

Currently in force No.	Second Amended and Restated Articles of Association	Proposed to be amended as No.	Third Amended and Restated Articles of Association
			(d) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company; or,
			(e) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to the Director or his close associate(s) and to employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.
		Article 152(3)	<i>(Newly added)</i> <u>The remuneration of the Auditor shall be fixed by the Company by ordinary resolution in general meeting or in such manner as the Members may determine by a body that is independent of the Board.</u>
Article 154	The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.	Article 154	The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine. The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Article may be fixed by the Board. Subject to Article 152(2), an Auditor appointed under this Article shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Article 152(1) at such remuneration to be determined by the Members or other body that is independent of the Board in accordance with Article 152(3).

Currently in force No.	Second Amended and Restated Articles of Association	Proposed to be amended as No.	Third Amended and Restated Articles of Association
Article 155	If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.	Article 155	If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed. <u>INTENTIONALLY DELETED.</u>
		Article 167	<i>(Newly added)</i> FINANCIAL YEAR <u>Unless otherwise determined by the Directors, the financial year end of the Company shall be 31 December in each year.</u>



奧園健康生活集團有限公司
AOYUAN HEALTHY LIFE GROUP COMPANY LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3662)

Notice is hereby given that the annual general meeting (the “AGM”) of Aoyuan Healthy Life Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at Event Room 1&2, Lower Ground Floor, New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Wednesday, 24 August 2022 at 2:00 p.m. for the following purposes:

1. To adjourn the receiving, consideration and adoption of the audited consolidated financial statements of the Group and the reports of the directors of the Company and the auditors of the Company for the financial year ended 31 December 2021.
2.
 - (a) To re-elect Mr. Cheng Siu Fai as an executive director of the Company.
 - (b) To re-elect Mr. Ruan Yongxi as a non-executive director of the Company.
 - (c) To re-elect Mr. Hung Ka Hai Clement as an independent non-executive director of the Company.
 - (d) To re-elect Dr. Li Zijun as an independent non-executive director of the Company.
 - (e) To authorize the board of directors of the Company to fix the respective directors’ remuneration.
3. To adjourn the re-appointment of the auditors of the Company and the fixing of their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and
- (c) for the purposes of this resolution:

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

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

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

“THAT:

- (a) subject to paragraph (b) below and compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which will or might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

(i) a Rights Issue (as defined below);

(ii) the exercise of options under a share option scheme of the Company; and

(iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

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

(c) for the purposes of this resolution:

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

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

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

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such amount of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** (i) the proposed amendments to the existing second amended and restated articles of association of the Company (the “**Proposed Amendments**”), the details of which are substantially set out in Appendix III to the circular of the Company dated 25 July 2022, be and are hereby approved; (ii) the third amended and restated articles of association of the Company (the “**New Articles of Association**”), which contain all the Proposed Amendments and a copy of which has been produced to this meeting and marked “A”, be and is hereby approved and adopted in substitution for, and to the exclusion of, the existing second amended and restated articles of association of the Company; and (iii) the directors of the Company or the company secretary of the Company be and are hereby authorised to do all things necessary to implement the adoption of the New Articles of Association including but not limited to the execution of any and all documents and attending to any and all filings in the Cayman Islands with the Registrar of Companies as may be necessary in connection therewith.”

By Order of the Board of
Aoyuan Healthy Life Group Company Limited
Mr. Guo Zining
Chairman

Hong Kong, 25 July 2022

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy or if he holds two or more shares, may appoint more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar and transfer office 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, not less than 48 hours before the time appointed for the AGM or any adjournment or postponement (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the AGM or any adjournment or postponement and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 17 August 2022 to Wednesday, 24 August 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office 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 for registration not later than 4:30 p.m. on Tuesday, 16 August 2022.
5. Where there are joint holders of any share of the Company, any one of such persons may vote at the AGM either personally or by proxy, in respect of such share of the Company as if he were solely entitled thereto, but if more than one of such joint holders be present at the AGM personally or by proxy, 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 in respect of such joint holding.
6. If Typhoon Signal No. 8 or above or a "black" rainstorm warning or "extreme conditions after super typhoons" announced which is/are in effect any time after 1:00 p.m. and at or before 2:00 p.m. on the date of the AGM, the AGM will be postponed and shareholders of the Company will be informed of the date, time and venue of the postponed AGM by a supplementary notice, posted on the respective website(s) of the Company and Hong Kong Exchanges and Clearing Limited.

The AGM will be held as scheduled regardless of whether or not an amber or red rainstorm warning signal is in force in Hong Kong at any time on that day.

After considering their own situations, shareholders of the Company should decide whether they would attend the AGM under bad weather condition and if they do so, they are advised to exercise care and caution.
7. Subject to the development of the Coronavirus disease 2019 (COVID-19), the Company may be required to change the AGM arrangements at short notice. Shareholders of the Company are advised to check the Company's website for further announcements and updates on the AGM arrangements.
8. References to time and dates in this notice are to Hong Kong time and dates.