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

If you have sold or transferred all your shares in Tai Ping Carpets International Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or the 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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TAI PING CARPETS INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 146)



**MAJOR TRANSACTIONS
IN RELATION TO PURCHASE OF
STRUCTURED DEPOSIT PRODUCTS**

All capitalised terms used in this circular shall have the same meanings as set out in the section headed “Definitions” in this circular, unless the context requires otherwise.

A letter from the Board containing details of the Major Structured Deposit Products is set out on pages 3 to 8 of this circular.

Pursuant to Rule 14.38A, Rule 14.40 and Rule 14.41 of the Listing Rules, the purchase of the Major Structured Deposit Products were subject to the circular and shareholders approval requirements. Considering that (i) the purchases of Major Structured Deposit Products have already been completed and (ii) the Major Structured Deposit Products have matured as of the date of the Announcement, no Shareholders’ meeting will be convened by the Company to approve, confirm and/or ratify the purchase of each of the Major Structured Deposit Products. This circular is being despatched to the Shareholders for information only.

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 1 November 2022 in relation to, among other things, the purchase of structured deposit products
“Board”	the board of directors
“Company”	Tai Ping Carpets International Limited, a company incorporated in the Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 146)
“Director(s)”	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 People’s Republic of China
“Latest Practicable Date”	17 November 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Major Structured Deposit Products”	structured deposit products issued by Bank of China Limited, details of which are set forth in the section headed “Purchase of the Major Structured Deposit Products” of this circular
“PRC”	the People’s Republic of China and for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.1 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“TPCX”

Tai Ping Carpets (Xiamen) Company Limited

“%”

per cent

LETTER FROM THE BOARD

TAI PING CARPETS INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 146)



Chairman and Non-executive Director:

Nicholas Timothy James Colfer

Chief Executive Officer and Executive Director:

Mark Stuart Worgan

Non-executive Directors:

Tong Chi Leung David

John Jeffrey Ying

Leong Kwok Fai Nelson

Andrew Clifford Winawer Brandler

Independent Non-executive Directors:

Fung Yeh Yi Hao Yvette

Roderic Noel Anthony Sage

Yung Lincoln Chu Kuen

Daniel George Green

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal Office in Hong Kong:

Units 1801-1804, 18th Floor
909 Cheung Sha Wan Road
Cheung Sha Wan
Kowloon
Hong Kong

21 November 2022

Dear Shareholders

MAJOR TRANSACTIONS IN RELATION TO PURCHASE OF STRUCTURED DEPOSIT PRODUCTS

INTRODUCTION

Reference is made to the Announcement in relation to the purchase of structured deposit products.

During the period from 17 January 2022 to 20 July 2022, TPCX, a wholly owned subsidiary of the Company, purchased certain Major Structured Deposit Products offered by Bank of China Limited. Whilst the Major Structured Deposit Products are principal-guaranteed in nature, the interest income derived are variable and are subjected to the performance of certain linked indices, such as foreign exchanges.

The purpose of this circular is to provide the Shareholders with, among other things, further details of the purchases of the Major Structured Deposit Products individually or when aggregated with the then outstanding principal amount of the Major Structured Deposit Products at the relevant time pursuant to Rules 14.22 and 14.23 of the Listing Rules, financial information of the Group and other information as required by the Listing Rules. As disclosed in the Announcement, considering that (i) the purchases of Major Structured Deposit Products have already been completed and (ii) the Major Structured Deposit

LETTER FROM THE BOARD

Products have matured as of the date of the Announcement, no Shareholders' meeting will be convened by the Company to approve, confirm and/or ratify the purchase of each of the Major Structured Deposit Products.

PURCHASE OF THE MAJOR STRUCTURED DEPOSIT PRODUCTS

During the period from 17 January 2022 to 20 July 2022, TPCX, a wholly owned subsidiary of the Company, purchased certain Major Structured Deposit Products offered by Bank of China Limited. Whilst the Major Structured Deposit Products are principal-guaranteed in nature, the interest income derived are variable and are subjected to the performance of certain linked indices, such as foreign exchanges.

Set forth below are principal terms of the Major Structured Deposit Products:

No.	Name of product	Purchase date	Principal amount (RMB million)	Expected annualised return rate	Actual annualised return rate	Investment term (days)	Type of product and Investment return	Internal risk rating by the bank
Bank of China Limited								
3.	Structured Deposit Product 20220813 [#] (對公結構性存款 20220813)	17 January 2022	7.0	1.30% - 3.41%	3.41%	From 17 January 2022 to 19 April 2022 (92 days)	Structured deposit product with variable return ¹	Low
6.	Structured Deposit Product 20220953 [#] (對公結構性存款 20220953)	25 March 2022	10.0	1.30% - 3.30%	3.30%	From 25 March 2022 to 27 June 2022 (94 days)	Structured deposit product with variable return ¹	Low
7.	Structured Deposit Product 20220995 [#] (對公結構性存款 20220995)	15 April 2022	20.0	1.30% - 3.30%	3.30%	From 15 April 2022 to 18 July 2022 (94 days)	Structured deposit product with variable return ²	Low
8.	Structured Deposit Product 20221035 [#] (對公結構性存款 20221035)	9 May 2022	4.0	1.30% - 3.41%	3.41%	From 9 May 2022 to 9 August 2022 (92 days)	Structured deposit product with variable return ³	Low
9.	Structured Deposit Product 20221063 [#] (對公結構性存款 20221063)	20 May 2022	4.0	1.30% - 3.30%	3.30%	From 20 May 2022 to 22 August 2022 (94 days)	Structured deposit product with variable return ⁴	Low
10.	Structured Deposit Product 20221187 [#] (對公結構性存款 20221187)	11 July 2022	10.0	1.30% - 3.29%	3.29%	From 11 July 2022 to 11 October 2022 (92 days)	Structured deposit product with variable return ⁵	Low
11.	Structured Deposit Product 20221207 [#] (對公結構性存款 20221207)	20 July 2022	20.0	1.30% - 3.18%	3.18%	From 20 July 2022 to 20 October 2022 (92 days)	Structured deposit product with variable return ⁵	Low

LETTER FROM THE BOARD

Notes:

- ¹ The rate of return of the Structured Deposits Product is linked to Euro/United States dollars spot exchange rate.
- ² The rate of return of the Structured Deposits Product is linked to Japanese Yen/United States dollars spot exchange rate.
- ³ The rate of return of the Structured Deposits Product is linked to Swiss Franc/United States dollars spot exchange rate.
- ⁴ The rate of return of the Structured Deposits Product is linked to Australian dollars/United States dollars spot exchange rate.
- ⁵ The rate of return of the Structured Deposits Product is linked to British Pound sterling/United States dollars spot exchange rate.
- # English translated name is for identification purpose only

MATURITY OF THE MAJOR STRUCTURED DEPOSIT PRODUCTS

As at the Latest Practicable Date, the Major Structured Deposit Products have matured and the respective principals together with accrued returns were received by TPCX in full.

INFORMATION ON THE PARTIES

The Company and TPCX

The Company is a limited liability company incorporated in Bermuda whose Shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in the manufacture, import, export and sale of carpets, and manufacture and sale of yarns.

TPCX is a limited liability company incorporated in the PRC, and a wholly owned subsidiary of the Company.

Bank of China Limited

Bank of China Limited is a commercial bank in the PRC, which engages principally in provision of bank products and services, including deposit taking, loans and interbank financing, etc. and whose A shares are listed on The Shanghai Stock Exchange and H shares are listed on The Stock Exchange.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each Bank of China Limited and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

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REASONS AND BENEFITS FOR PURCHASE OF THE MAJOR STRUCTURED DEPOSIT PRODUCTS

TPCX principally funded the purchase of the Major Structured Deposit Products by utilising its idle fund deposited at bank accounts. The Major Structured Deposit Products were denominated in RMB, principal-guaranteed, short-term investment products with low risks. The Major Structured Deposit Products were issued by Bank of China Limited, a reputable bank which offered better interest rates than the then prevailing fixed-term deposit interest rates offered by banks or licensed financial institutions. The Directors believe that the purchase of the Major Structured Deposit Products would efficiently and reasonably utilise the idle funds of the Group with secured returns. Accordingly, the Directors are of the view that the purchase of the Major Structured Deposit Products are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The purchase of the Major Structured Deposit Products were financed by internal resources.

FINANCIAL EFFECTS OF THE PURCHASE

The purchase of the Major Structured Deposit Products were accounted for as financial assets measured at fair value through profit or loss (the “financial assets FVPL”) under current assets of the Group. The purchase of the Major Structured Deposit Products increased the financial assets FVPL and decreased the bank balances and cash of the Group. There is no financial effect of the purchase of the Major Structured Deposit Products on the liabilities of the Group.

As at the Latest Practicable Date, the Major Structured Deposit Products have matured and the respective principals of RMB75,000,000 together with accrued returns recognised as other income amounting to approximately RMB627,000 in aggregate were received by the Group in full.

LISTING RULES IMPLICATIONS

As the transactions in relation to the purchase of the Major Structured Deposit Products were entered into with the same bank and were of similar nature, pursuant to Rules 14.22 and 14.23 of the Listing Rules, the purchase of the Major Structured Deposit Products offered by Bank of China Limited shall be aggregated.

On 15 April 2022, TPCX purchased Major Structured Deposit Product no. 7. As the highest applicable percentage ratio in respect of the purchase of Major Structured Deposit Product no. 7, when aggregated with the then outstanding principal amount of Major Structured Deposit Products nos. 3 and 6 pursuant to Rules 14.22 and 14.23 of the Listing Rules, exceeds 25% but is less than 100%, the purchases of Major Structured Deposit Product no. 3, no. 6 and no. 7, when aggregated, constitute a major transaction for the Company and therefore shall subject to the reporting, announcement and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

On 20 July 2022, TPCX purchased Major Structured Deposit Product no. 11. As the highest applicable percentage ratio in respect of the purchase of Major Structured Deposit Product no. 11, when aggregated with the then outstanding principal amount of Major Structured Deposit Products nos. 8 to 10 pursuant to Rules 14.22 and 14.23 of the Listing Rules, exceeds 25% but is less than 100%, the purchases of

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Major Structured Deposit Product no. 8, no. 9, no. 10 and no. 11, when aggregated, constitute a major transaction for the Company and therefore shall subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the Major Structured Deposit Products are principal-guaranteed in nature, the responsible staff and management of the Company believed that they would be treated as if they were akin to fixed deposits, which do not constitute "transactions" under Chapter 14 of the Listing Rules. As a result, the Company had not complied with the applicable reporting, announcement and/or shareholders' approval requirements under Chapter 14 of the Listing Rules in a timely manner.

REMEDIAL ACTIONS

Pursuant to Rule 14.34 of the Listing Rules, after the terms of a discloseable transaction have been finalised, the Company must publish an announcement as soon as possible. In relation to the purchases of the Major Structured Deposit Products, the purchases were also subject to the circular and shareholders' approval requirements under Rule 14.38A, Rule 14.40 and Rule 14.41. As such, the failure by the Company to comply with the above requirement constituted breach of Rule 14.34, Rule 14.38A, Rule 14.40 and Rule 14.41 of the Listing Rules.

The Company attributes the incidents of non-compliance with the Listing Rules as disclosed in this circular to the misunderstanding over the treatment of the purchase of the Major Structured Deposit Products under Chapter 14 of the Listing Rules by its responsible staff and management. As the Major Structured Deposit Products are principal-guaranteed in nature, the responsible staff and management of the Company believed that they would be treated as if they were akin to fixed deposits, which do not constitute "transactions" under Chapter 14 of the Listing Rules.

The Company deeply regrets its non-compliance with the Listing Rules as disclosed in this circular, but it would like to stress that such non-compliances were inadvertent and the Company had no intention to withhold any information relating to the purchase of the Major Structured Deposit Products from disclosure.

Considering that (i) the purchases of Major Structured Deposit Products have already been completed and (ii) the Major Structured Deposit Products have matured as of the date of the Announcement, no Shareholders' meeting will be convened by the Company to approve, confirm and/or ratify the purchase of each of the Major Structured Deposit Products.

To prevent the reoccurrence of the similar incidents of non-compliance with the Listing Rules as disclosed in this circular, the Company has adopted the following measures:

1. The Company has reminded its responsible staff and management of the treatment of the purchase of structured deposit products under the Listing Rules to avoid delay in disclosure in the future should such obligations arise. The Company will also offer trainings to the responsible staff, management and the Directors relating to notifiable transactions under the Listing Rules in order to strengthen and reinforce their existing knowledge as well as their ability to identify potential issues at an early stage. Such trainings will be completed by end of November 2022.

LETTER FROM THE BOARD

2. The Company will work more closely with its legal advisers on compliance issues and shall, as and when appropriate, consult other professional advisers before entering into any potential notifiable transaction. If necessary, the Company might also consult the Stock Exchange on the proper treatment of a proposed transaction.
3. The Company has strengthened the coordination and reporting arrangements for notifiable transactions among various departments of the Company to ensure due compliance of the Listing Rules. Prior to entering into any transaction not in the ordinary and usual course of business of the Group in the future where disclosure threshold is met, the Group's finance team will be notified and draft agreements will be circulated for their review to assess the relevant implications under Listing Rules and to ensure compliance with applicable requirements under the Listing Rules.

The Directors believe that the implementation of the remedial measures as disclosed in this circular will effectively rectify such misunderstanding, strengthen and reinforce the knowledge of the responsible staff, management and Directors relating to notifiable transactions under the Listing Rules, and improve the regulatory compliance abilities of the Company in the identification and reporting of related issues with assistance from appropriate external advisers.

FURTHER INFORMATION

Your attention is also drawn to the additional information contained in the appendices to this circular.

By order of the Board
Tai Ping Carpets International Limited
Nicholas Timothy James Colfer
Chairman

1. CONSOLIDATED FINANCIAL STATEMENTS

Details of the financial information of the Group for the eighteen months ended 30 June 2020 and for each of the financial years ended 30 June 2021 and 30 June 2022 are disclosed in the following documents which have been published on both the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.taipingcarpets.com>):

- annual report of the Company for the eighteen months ended 30 June 2020 published on 15 October 2020 (available at: <http://www1.hkexnews.hk/listedco/listconews/sehk/2020/1015/2020101500430.pdf>);
- annual report of the Company for the year ended 30 June 2021 published on 6 October 2021 (available at: <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/1006/2021100600516.pdf>);
- annual report of the Company for the year ended 30 June 2022 published on 10 October 2022 (available at: <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/1010/2022101000361.pdf>).

2. INDEBTEDNESS STATEMENT

As at the close of business on 30 September 2022, being the latest practicable date for the purpose of this statement of indebtedness, the Group had lease liability of approximately HK\$102,480,000.

Save as aforesaid or otherwise mentioned herein, and apart from intra-group liabilities and normal trade payables in the ordinary course of the business, the Group did not have any other outstanding borrowings, mortgages, charges, debentures, loan capital and overdraft, debt securities or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptances or acceptance credits or any guarantees or other contingent liabilities at the close of business on 30 September 2022, being the latest practicable date for the purpose of this statement of indebtedness prior to printing of this circular.

3. WORKING CAPITAL

The Directors are of the opinion that, in the absence of unforeseeable circumstances, after due and careful enquiry, and after taking into account the existing internal financial resources of the Group, and effect of the subscription of the Major Structured Deposit Products, the working capital available to the Group is sufficient for its requirements for at least twelve months from the date of publication of this circular.

4. MATERIAL CHANGE

As at the Latest Practicable Date, there had not been any material change in the financial or operation position or outlook of the Group since 30 June 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in the manufacture, import, export and sale of carpets, and manufacture and sale of yarns.

The Company's performance is on track with its business plan. Investment in sales and marketing activities have gradually increased to drive sales as the world emerges from the pandemic. Timetabled product launches at key trade shows and customer events are also progressing to plan, focused on ensuring that the Company maintains a strong foothold in key markets.

Deployment of strategic initiatives to strengthen business foundations and drive long-term growth continue to be a priority. This includes targeted investment to relocate the company's showrooms in major world cities, establishing more assessable locations that drive greater consumer awareness and build a stronger brand presence. An investment to expand the company's US carpet manufacturing operation is also underway, targeting growth in a region that already drives a significant proportion of the Group's revenue.

The global instability and economic uncertainty caused by high levels of inflation and surging energy costs have begun to undermine consumer confidence, and this may impact the Company's near-term business growth. However, management will monitor the situation closely and adjust business strategy deployment where necessary. The Company's recent financial progress is clear, and it remains cautious optimistic that the long-term growth will be achieved.

1. 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.

2. DISCLOSURE OF INTERESTS

(a) Directors and chief executives' interests and short positions in shares, underlying shares and debentures

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which were required, pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules ("Model Code"), to be notified to the Company and the Stock Exchange were as follows:

Long Position in Shares and Underlying Shares of the Company:

Name of Director	Capacity	Number of issued ordinary shares held	% of the issued share capital of the Company
John Jeffrey Ying	Beneficial owner	32,605,583	15.366%
Tong Chi Leung David	Beneficial owner	431,910	0.204%
Yung Lincoln Chu Kuen	Beneficial owner	30,000	0.014%
Leong Kwok Fai Nelson	Beneficial owner/ Interests of controlled corporations	2,882,000 ¹	1.358%

Note:

¹ 700,000 shares are held by Mr. Leong Kwok Fai Nelson personally and Mr. Leong Kwok Fai Nelson is the beneficial owner of the shares. 2,000,000 shares are held by Gainsborough Associates Limited and 182,000 shares are held by Fontana Enterprises Limited, companies in which Mr. Leong Kwok Fai Nelson holds 33.33% and 40% equity interests respectively and have controlling interest and Mr. Leong Kwok Fai Nelson is deemed to be interested in the shares held by Gainsborough Associates Limited and Fontana Enterprises Limited.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register referred to therein, or which were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

(b) Substantial Shareholders' interests and short positions in the Shares and underlying Shares

As at the Latest Practicable Date, so far as is known to the Directors or the chief executive of the Company, the following persons had, or were deemed to have, interests or short positions in the Shares or underlying Shares of the Company as recorded in the register kept by the Company pursuant to section 336 of the SFO which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO (these interests are in addition to those disclosed above in respect of the Directors):

Long Positions in Shares and Underlying Shares of the Company

Name	Capacity	Number of issued ordinary shares held	% of the issued share capital of the Company
Acorn Holdings Corporation ¹	Beneficiary	40,014,178	18.858%
Bermuda Trust Company Limited ¹	Trustee/Interest of controlled corporation	40,014,178	18.858%
Harneys Trustees Limited ²	Interest of controlled corporation	77,674,581	36.607%
Lawrencium Holdings Limited ²	Beneficiary	77,674,581	36.607%
The Mikado Private Trust Company Limited ²	Trustee/Interest of controlled corporation	77,674,581	36.607%
The Hon. Sir Michael Kadoorie ²	Founder and beneficiary of a discretionary trust	77,674,581	36.607%

Notes:

¹ Bermuda Trust Company Limited is deemed to be interested in the same 40,014,178 shares in which Acorn Holdings Corporation is deemed to be interested, either in the capacity as trustee of various discretionary trusts and/or by virtue of having direct or indirect control over such company.

² The Mikado Private Trust Company Limited is deemed to be interested in the same 77,674,581 shares in which Lawrencium Holdings Limited is deemed to be interested, either in the capacity as trustee of a discretionary trust and/or by virtue of having direct or indirect control over such company.

Harneys Trustees Limited controls The Mikado Private Trust Company Limited and is therefore deemed to be interested in the same 77,674,581 shares in which such company is deemed to be interested.

The Hon. Sir Michael Kadoorie, in his capacity as the founder and one of the beneficiaries of a discretionary trust, is deemed to be interested in 77,674,581 shares in which Lawrencium Holdings Limited is deemed to be interested.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no other person had interests or short positions in the Shares or underlying Shares of the Company which were recorded in the register kept by the Company pursuant to section 336 of the SFO which would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not determinable by the relevant member within one year without payment of compensation other than statutory compensation.

4. MATERIAL LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any material litigations or claims and no litigations or claims of material importance were pending or threatened by or against any member of the Group.

5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date:

- (a) none of the Directors had any interest, direct or indirect, in any assets which have been, since 30 June 2022, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and was significant in relation to any business of the Group.

6. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective close associates had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group.

7. MATERIAL CONTRACTS

Within the two years immediately preceding the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) had been entered into by the members of the Group which are or may be material:

- (a) Bank of China Limited structured deposit product agreement dated 17 January 2022 in respect of purchase of the Major Structured Deposit Product no. 3;
- (b) Bank of China Limited structured deposit product agreement dated 25 March 2022 in respect of purchase of the Major Structured Deposit Product no. 6;
- (c) Bank of China Limited structured deposit product agreement dated 15 April 2022 in respect of purchase of the Major Structured Deposit Product no. 7;
- (d) Bank of China Limited structured deposit product agreement dated 9 May 2022 in respect of purchase of the Major Structured Deposit Product no. 8;
- (e) Bank of China Limited structured deposit product agreement dated 20 May 2022 in respect of purchase of the Major Structured Deposit Product no. 9;
- (f) Bank of China Limited structured deposit product agreement dated 11 July 2022 in respect of purchase of the Major Structured Deposit Product no. 10; and
- (g) Bank of China Limited structured deposit product agreement dated 20 July 2022 in respect of purchase of the Major Structured Deposit Product no. 11.

8. GENERAL

- (a) The company secretary of the Company is Lung Chi Sing Alex, who is a fellow member of The Association of Chartered Certified Accountants and is a member of Hong Kong Institute of Certified Public Accountants.
- (b) The registered office of the Company is at Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda.
- (c) The head office and principal place of business in Hong Kong of the Company is at Units 1801-1804, 18th Floor, 909 Cheung Sha Wan Road, Cheung Sha Wan, Kowloon, Hong Kong.
- (d) The address of the Company's branch share registrar in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (e) In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

9. DOCUMENTS ON DISPLAY

Copies of the material contracts referred to in the section headed “Material Contracts” in this appendix will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.taipingcarpets.com>) for 14 days from the date of this circular.