
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sun Art Retail Group 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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**SUN ART RETAIL GROUP LIMITED****高鑫零售有限公司***(Incorporated in Hong Kong with limited liability)***(Stock code: 06808)**

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;**
- (2) PROPOSED CHANGE OF AUDITORS;**
- (3) PROPOSED GRANTING OF GENERAL MANDATES TO
BUY BACK SHARES AND TO ISSUE NEW SHARES;**
- (4) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND
ADOPTION OF THE NEW ARTICLES OF ASSOCIATION;**
- (5) CURRENCY ELECTION AND CHANGE OF
PAYMENT DATE OF FINAL DIVIDEND; AND**
- (6) NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of Sun Art Retail Group Limited to be held at 24/F., Admiralty Centre 1, 18 Harcourt Road, Admiralty, Hong Kong on Thursday, 14 August 2025 at 4:30 p.m. is set out in this circular.

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 share registrar, Computershare Hong Kong Investor Services Limited, at 17M 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 (i.e. not later than 4:30 p.m. on Tuesday, 12 August 2025 (Hong Kong time)) or the adjourned meeting (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 if they so wish. For the avoidance of doubt, holders of treasury shares, if any, shall abstain from voting at the Company's general meetings in respect of any treasury shares held by them, if any.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.sunartretail.com).

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

18 July 2025

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DEFINITIONS

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

“Amended Companies Ordinance”	The Companies (Amendment) Ordinance 2025, which amends the Companies Ordinance and came into effect on 17 April 2025;
“Annual General Meeting”	the annual general meeting of the Company to be held at 24/F., Admiralty Centre 1, 18 Harcourt Road, Admiralty, Hong Kong on Thursday, 14 August 2025 at 4:30 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 29 to 33 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company adopted by special resolution passed on 14 May 2015 and as amended on 17 May 2019 and 24 September 2021 and currently in force;
“Audit Committee”	the audit committee of the Company;
“Board”	the board of Directors of the Company;
“CCASS”	the Central Clearing and Settlement System established and operated by The Hong Kong Securities Clearing Company Limited;
“Companies Ordinance”	The Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
“Company”	Sun Art Retail Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiary(ies) as ascribed to it under the Listing Rules;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issuance Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with additional shares of not exceeding 20% of the total number of issued shares (excluding treasury Shares, if any) of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting;
“Latest Practicable Date”	11 July 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“New Articles”	The new articles of association of the Company proposed to be adopted under the special resolution contained in item 8 of the notice of the Annual General Meeting;
“Nomination Committee”	the nomination committee of the Company;
“Proposed Amendments”	the proposed amendments to the Articles of Association, details of which are set out in Appendix III to this circular;
“Remuneration Committee”	the remuneration committee of the Company;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) in the capital of the Company;
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to buy back shares on the Stock Exchange of not exceeding 10% of the total number of issued shares (excluding treasury Shares, if any) of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting;
“Shareholder(s)”	holder(s) of Share(s);

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong as amended from time to time;
“treasury Shares”	has the meaning ascribed to it under the Listing Rules and as amended from time to time; and
“%”	per cent.



SUN ART RETAIL GROUP LIMITED

高鑫零售有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 06808)

Executive Director:

SHEN Hui (*Chief Executive Officer*)

Non-executive Directors:

Julian Juul WOLHARDT (*Chairman*)

Guannan WANG

Mengxue MEI

Independent Non-executive Directors:

Karen Yifen CHANG

YIH Lai Tak, Dieter

Charles Sheung Wai CHAN

Registered Office:

Room 1928, 19/F

Lee Garden One

33 Hysan Avenue

Causeway Bay, Hong Kong

*Place of Business in the People's
Republic of China:*

No. 255, Jiangchang Xi Road

Jing'an District, 200436 Shanghai
China

18 July 2025

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;**
- (2) PROPOSED CHANGE OF AUDITORS;**
- (3) PROPOSED GRANTING OF GENERAL MANDATES TO
BUY BACK SHARES AND TO ISSUE NEW SHARES;**
- (4) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND
ADOPTION OF THE NEW ARTICLES OF ASSOCIATION;**
- (5) CURRENCY ELECTION AND CHANGE OF
PAYMENT DATE OF FINAL DIVIDEND; AND**
- (6) 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 for (i) the re-election of the retiring Directors; (ii) the proposed change of auditors; (iii) the granting to the Directors of the Share Buy-back Mandate and the Issuance Mandate to buy back Shares and to issue new Shares; (iv) the proposed amendments to the articles of association and adoption of the New Articles; and (v) currency election and change of payment date of final dividend, respectively.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 95 of the Articles of Association, Mr. YIH Lai Tak, Dieter shall retire by rotation at the Annual General Meeting. In addition, Mr. Julian Juul WOLHARDT and Ms. Guannan WANG who have been appointed by the Board on 6 March 2025 and Ms. Mengxue MEI who has been appointed by the Board on 27 March 2025, shall hold office until the Annual General Meeting pursuant to article 99 of the Articles of Association. Each of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors (including the Independent Non-Executive Director) with reference to the nomination principles and criteria set out in the Company's board diversity policy and director nomination policy and the Company's corporate strategy, and the independence of all Independent Non-Executive Directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors who are eligible to offer themselves for re-election at the Annual General Meeting. The Company considers that the retiring Independent Non-Executive Director is independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

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 CHANGE OF AUDITORS

In view of the business needs of the Company and to maintain good corporate governance practice in rotating the Company's auditors after an appropriate period of time, on 23 May 2025, the Board has resolved (1) not to re-appoint the current auditors of the Company, PricewaterhouseCoopers ("PwC"), and therefore PwC will retire as the auditors of the Company with effect from the conclusion of the forthcoming Annual General Meeting of the Company to be held on 14 August 2025 and (2) with the recommendation of the Audit Committee to recommend the appointment of KPMG ("KPMG") as the new auditors of the Company.

The Board and the Audit Committee have reviewed and considered the fee proposal, qualifications, competence and experience of KPMG when recommending them as the new auditors of the Company, and have assessed and considered that KPMG meet the regulatory requirements in terms of their qualifications, suitability, professional competence and independence to perform their duties as the auditors of the Company.

LETTER FROM THE BOARD

The Company has received a confirmation letter from PwC confirming that there are no circumstances connected with their retirement that they consider should be brought to the attention of the Shareholders and creditors of the Company. The Board and the Audit Committee have also confirmed that there are no disagreements or outstanding matters between the Company and PwC, and there are no matters in relation to the proposed change of auditors that need to be brought to the attention of holders of securities of the Company.

Accordingly, an ordinary resolution will be proposed at the Annual General Meeting in relation to the approval of the appointment of KPMG as the auditors of the Group following the retirement of PwC with effect from the conclusion of the Annual General Meeting and until the conclusion of the next annual general meeting of the Company, as well as the authorization of the Board to fix the remuneration of the new auditors.

4. PROPOSED GRANTING OF GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 14 August 2024, a general mandate was granted to the Directors to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to buy back Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Buy-back Mandate to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares (excluding treasury Shares, if any) of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 29 to 33 of this circular (i.e. a total of 954,050,470 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 buy back any Shares pursuant to the Share Buy-back 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 Buy-back Mandate is set out in Appendix II to this circular.

5. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE NEW SHARES

At the annual general meeting of the Company held on 14 August 2024, 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 (including any sale or transfer of treasury Shares) of not exceeding 20% of the total number of issued shares (excluding treasury Shares, if any) of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 29 to 33 of this circular (i.e. a total of

LETTER FROM THE BOARD

1,908,100,940 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 bought back by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

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

6. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND ADOPTION OF THE NEW ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 11 July 2025 in relation to the Proposed Amendments.

The Board proposes to seek the approval of the Shareholders by way of a special resolution at the Annual General Meeting to amend the Articles of Association and to adopt the New Articles for the purpose of, among others, (i) bringing the Articles of Association in line with the requirements of the Listing Rules and the Companies Ordinance in relation to holding of hybrid meetings and virtual meetings, participation in meetings by electronic facilities, and arrangements regarding treasury Shares and communications via website; and (ii) incorporating certain corresponding and housekeeping amendments to the Articles of Association.

Hybrid Meetings and Virtual Meetings

To conform with the Companies (Amendment) Ordinance 2023 which came into operation on 28 April 2023 and to give the Company greater flexibility to align with technological advances or to accommodate particular circumstances, it is proposed that the Articles of Association be amended to expressly permit the Company to hold general meetings by virtual meetings without the requirement for presence of members at any physical locations; as well as a mixed mode of such virtual general meetings and members attending at physical location(s), i.e. hybrid general meetings.

The New Articles will expressly permit the Company to hold general meetings by physical meetings (in any part of the world and at one or more meeting locations), hybrid meetings, or virtual meetings. A virtual meeting is a general meeting held and conducted by virtual attendance, participation and voting by members and/or proxies by means of virtual meeting technology. This change will allow the Company to conduct fully virtual meetings in such a way that the participants can listen, speak and vote at a meeting by means of virtual meeting technology without being physically present at the meeting.

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Treasury Shares

On 11 June 2024, the Stock Exchange amended the Listing Rules by removing the requirement for listed companies to cancel repurchased shares, to allow repurchased shares to be held in treasury and providing for a framework to regulate the cancellation, resale and transfer of treasury Shares (the “**Treasury Share Regime**”).

In light of the amended Listing Rules, the Amended Companies Ordinance to allow listed companies to make use of the Treasury Share Regime came into effect on 17 April 2025. The Amended Companies Ordinance specifies that all shareholders’ rights attaching to treasury Shares are regarded as suspended. No dividends or other distributions may be paid on any shares held in treasury and no voting rights attach to such shares.

Treasury Shares can be used in essentially the same way as new shares to be issued, but they retain their listing status. Treasury Shares may be sold, transferred for the purposes of or pursuant to an employee share scheme or cancelled. As with the issue of new shares, sales of treasury Shares for cash are subject to shareholders’ statutory pre-emption rights contained in the Companies Ordinance except in so far as such rights are waived by shareholders, most typically pursuant to the general mandate.

Therefore, if the Company can hold and sell (or transfer) treasury Shares, it will have greater flexibility to adjust its share capital quickly and more efficiently.

Communication by Means of a Website

On 31 December 2023, the Stock Exchange amended the Listing Rules to allow an issuer to disseminate corporate communications to a shareholder by means of a website without obtaining the prior agreement of such shareholder (the “**implied consent mechanism**”), provided the issuer sends a one-off notification informing the shareholder of the new arrangements. The implied consent mechanism does not apply to the dissemination of actionable corporate communications (as defined in the Listing Rules), which must be sent to shareholders individually.

Under the Companies Ordinance, the Company may, with the prior agreement of its Shareholders, send documents or information to Shareholders by making them available on a website. The Articles of Association provide the same.

The Amended Companies Ordinance allows companies to adopt an implied consent mechanism to disseminate corporate communications to shareholders by publishing them on a website and puts in place sufficient safeguards to protect the interests of shareholders. The amendments took effect on 17 April 2025.

LETTER FROM THE BOARD

The safeguard measures include a requirement that the articles of association of a company contain a provision enabling documents or information to be sent to shareholders by publishing them on a website. Companies are also required to send shareholders individually a one-off notification containing certain specified content, which includes details of the new arrangements, the website address and a statement of the shareholder's right to request the communication in electronic or hard copy form. Provided that the Company complies with the safeguard measures specified in the Amended Companies Ordinance and the Listing Rules, Shareholders will be deemed to have agreed that corporate communications (other than actionable corporate communications) may be disseminated by the Company by making them available on a website.

Details of the Proposed Amendments are set out in Appendix III to this circular. Save for the Proposed Amendments, other articles of the Articles of Association remain unchanged. The full text of the New Articles (both marked up to show the changes compared to the existing Articles of Association, and as a clean document) will be published on the Company's website (www.sunartretail.com) upon approval by the Shareholders at the Annual General Meeting.

Our Company's legal advisers have confirmed that the Proposed Amendments are in compliance with the requirements of the Listing Rules and the laws of Hong Kong. The Company also confirms that there is nothing unusual about the proposed amendments to the Articles of Association for a company listed in Hong Kong.

Please note that the Proposed Amendments are prepared in English language. The Chinese translation of the Proposed Amendments is for information only and not an official translation of the English version. In case of any discrepancy, the English version shall prevail.

7. CURRENCY ELECTION AND CHANGE OF PAYMENT DATE OF FINAL DIVIDEND

On 20 May 2025, the Board proposed to declare a final dividend of HK\$0.17 per ordinary Share in cash for the year ended 31 March 2025 (the **"FY25 Final Dividend"**), subject to the approval of the FY25 Final Dividend by the Shareholders in the annual general meeting of the Company to be held on Thursday, 14 August 2025.

While the final dividend of HK\$0.17 per share will be payable in cash to each Shareholder in HK\$ by default, Shareholders have the right to elect to receive all in Renminbi (**"RMB"**) or United State Dollars (**"US\$"**), or a combination of HK\$, RMB and US\$. The amount of RMB and US\$ will be calculated using the exchange rates quoted by The Hong Kong Association of Banks at the date of the annual general meeting, i.e. Thursday, 14 August 2025.

In light of the provision of currency options of receiving the FY25 Final Dividend, the expected payment date of FY25 Final Dividend will be changed from Thursday, 4 September 2025 to Wednesday, 24 September 2025 to facilitate the arrangement of currency election of FY25 Final Dividend.

LETTER FROM THE BOARD

If Shareholders elect to receive all the final dividend in RMB or US\$ or a combination of HK\$, RMB or US\$, Shareholders should complete the Dividend Currency Election Form which is expected to be despatched to Shareholders on 29 August 2025 after the record date of Friday, 22 August 2025 to determine shareholders' entitlement to the FY25 Final dividend, and lodge it with the Company's share registrar, Computershare Hong Kong Investor Services Limited, on 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 15 September 2025.

Shareholders who are minded to elect to receive their dividends in RMB or US\$ by cheques should note that (i) they should ensure that they have an appropriate bank account to which the RMB or US\$ cheques for dividend can be presented for payment; and (ii) there is no assurance that RMB or US\$ cheques can be cleared without material handling charges or delay in Hong Kong or that RMB or US\$ cheques will be honoured for payment upon presentation outside Hong Kong. The cheques are expected to be posted to the relevant Shareholders by ordinary post on Wednesday, 24 September 2025 at the Shareholders' own risk.

If no duly completed Dividend Currency Election Form in respect of the Shareholder is received by the Company's share registrar by 4:30 p.m. on Monday, 15 September 2025, such Shareholder will automatically receive the final dividend in HK\$. All dividend payments in HK\$ will be made in the usual way on Wednesday, 24 September 2025.

If Shareholders wish to receive the final dividend in HK\$ in the usual way, no additional action is required. Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment.

8. 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 (www.hkexnews.hk) and the Company (www.sunartretail.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M 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 holding the

LETTER FROM THE BOARD

Annual General Meeting (i.e. not later than 4:30 p.m. on Tuesday, 12 August 2025 (Hong Kong time)) or the adjourned meeting (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 if you so wish.

9. RECOMMENDATION

The Directors consider that all the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,

For and on behalf of the Board

Sun Art Retail Group Limited

SHEN Hui

Executive Director and Chief Executive Officer

APPENDIX I	DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING
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The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

NON-EXECUTIVE DIRECTORS

(1) Mr. Julian Juul WOLHARDT

Mr. Julian Juul WOLHARDT (華裕能), aged 51, has been the Chairman of the Board and a Non-Executive Director of the Company since 6 March 2025. Mr. Wolhardt is the co-founder and chief executive officer of DCP Capital. Mr. Wolhardt is also the independent director in Niu Technologies, a company listed on Nasdaq (Stock code: NIU). Prior to establishing DCP Capital, Mr. Wolhardt was a Partner and the Regional Leader of Greater China Region at KKR Asia Limited. Before joining KKR Asia Limited, Mr. Wolhardt was with Morgan Stanley Private Equity Asia and was responsible for its private equity business in China. Previously, he was with the Mergers and Acquisition Group of Lazard Freres & Co. and the Financial Advisory Service Group of Coopers & Lybrand.

Mr. Wolhardt is currently a member of the Takeovers and Mergers Panel and the Takeovers Appeal Committee for the Securities and Futures Commission. He also served as a member of the Listing Committee for the Hong Kong Exchanges and Clearing Limited.

He is a certified public accountant and certified management accountant in the United States and received a bachelor's degree in accounting with honors from the University of Illinois, Urbana-Champaign.

Mr. Wolhardt serves the Company for a term of three years until 5 March 2028 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Wolhardt does not receive any director's emolument during the service period for his directorship in the Company.

As at the Latest Practicable Date, Mr. Wolhardt is deemed to be interested in 7,551,524,756 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wolhardt did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and did not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Save as disclosed above, there is no other information in relation to Mr. Wolhardt required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Wolhardt that need to be brought to the attention of the Shareholders.

(2) Ms. Guannan WANG

Ms. Guannan WANG (王冠男), aged 36, has been a Non-Executive Director of the Company since 6 March 2025. Ms. Wang is an executive director of DCP Capital and is responsible for consumer retail investments. Ms. Wang is also the non-executive director in Sunpower Group Limited, a company listed on the Singapore Exchange (Stock code: 5GD.SI). Prior to joining DCP Capital, Ms. Wang was a senior associate with MBK Partners, and previously an analyst with Hony Capital.

Ms. Wang graduated from the MIT Sloan School of Management with a Master in Finance degree and Peking University with a dual Bachelor's degree in Engineering and Economics.

Ms. Wang serves the Company for a term of three years until 5 March 2028 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Ms. Wang does not receive any director's emolument during the service period for her directorship in the Company.

As at the Latest Practicable Date, Ms. Wang has no interest in any shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Ms. Wang did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and did not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Save as disclosed above, there is no other information in relation to Ms. Wang required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Wang that need to be brought to the attention of the Shareholders.

(3) Ms. Mengxue MEI

Ms. Mengxue MEI (梅夢雪), aged 31, has been a Non-Executive Director of the Company since 27 March 2025. Ms. Mei is a vice president of DCP Capital focusing on consumer retail investments. Prior to joining DCP Capital, Ms. Mei was an analyst with Bank of America Merrill Lynch's Investment Banking Division. Ms. Mei has accumulated years of experience in investment, along with in-depth industry knowledge in consumer retail investments. Ms. Mei graduated from Columbia University with a Master of International Affairs degree and Peking University with a dual Bachelor's degree in Finance and International Relations.

Ms. Mei serves the Company for a term of three years until 26 March 2028 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Ms. Mei does not receive any director's emolument during the service period for her directorship in the Company.

As at the Latest Practicable Date, Ms. Mei has no interest in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Ms. Mei did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and did not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

Save as disclosed above, there is no other information in relation to Ms. Mei required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Mei that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR

(4) Mr. YIH Lai Tak, Dieter

Mr. YIH Lai Tak, Dieter (葉禮德), aged 62, has been an Independent Non-Executive Director of the Company since 11 December 2019. Mr. Yih received his Bachelor of Laws degree from King's College London and he is a Fellow of King's College London. Mr. Yih is admitted to practice law in Hong Kong, England & Wales, Singapore and Australia. He is a partner of the Hong Kong law firm Kwok Yih & Chan, where his practice focuses on corporate finance, capital markets, securities and regulatory compliance.

Mr. Yih has been an independent non-executive director of China Mengniu Dairy Company Limited (a company listed on the Stock Exchange under stock code 2319) since December 2021.

Mr. Yih was the president of the Law Society of Hong Kong between 2012 and 2013, and holds various public offices and community appointments in Hong Kong. He is currently a Justice of the Peace appointed by the Hong Kong Government, chairman of the Steering Committee of the Quality Education Fund, a member of each of the University Grants Committee in Hong Kong and the Standing Committee on Legal Education and Training, a non-executive director of eMPF Platform Company Limited and a non-executive director of the Securities and Futures Commission. He is also a member of the Guangdong Province of the Chinese People's Political Consultative Conference.

Mr. Yih has signed a letter of appointment with the Company with a term of appointment for a period of three years until 10 December 2025 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Yih receives an annual remuneration of HK\$445,000 as per the letter of appointment.

As at the Latest Practicable Date, Mr. Yih was not interested in the Shares within the meaning of Part XV of the SFO. Mr. Yih meets the independent guideline as set out in rules 3.13 of the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, Mr. Yih did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and did not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no other information in relation to Mr. Yih required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Yih that need to be brought to the attention of the Shareholders.

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 Buy-back Mandate. It also constitutes the memorandum under section 239(2) of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 9,540,504,700 Shares and the Company did not hold any treasury Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back 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 9,540,504,700 Shares, the Directors would be authorized under the Share Buy-back Mandate to buy back, during the period in which the Share Buy-back Mandate remains in force, a total of 954,050,470 Shares, representing 10% of the total number of Shares in issue (excluding treasury Shares, if any) as at the date of the Annual General Meeting.

2. REASONS FOR SHARE BUY-BACK

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

Shares buy-back 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 buy-back will benefit the Company and the Shareholders.

3. FUNDING OF SHARE BUY-BACK

The Company may only apply funds legally available for share buy-back in accordance with its Articles of Association, the laws of Hong Kong and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE BUY-BACK

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 March 2025) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back 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

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months were as follows:

Month	Highest HK\$	Lowest HK\$
July, 2024	1.49	1.23
August, 2024	1.44	1.19
September, 2024	1.94	1.23
October, 2024	2.39	1.96
November, 2024	2.62	2.06
December, 2024	2.80	2.23
January, 2025	2.17	1.60
February, 2025	2.08	1.61
March, 2025	2.03	1.72
April, 2025	2.02	1.78
May, 2025	2.44	1.82
June, 2025	2.77	2.26
July, 2025 (<i>up to the Latest Practicable Date</i>)	2.42	2.18

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 Buy-back 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 Buy-back Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to buy back Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong. In addition, the Company has confirmed that neither this explanatory statement nor the proposed share repurchase has any unusual features.

7. TAKEOVERS CODE

If as a result of a buy-back of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, 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 thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Paragon Shine Limited, Lavender Haze Limited and King Salmon Limited were interested in a total of 7,551,524,756 Shares representing approximately 79.16% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Share Buy-back Mandate in full, the aggregate shareholding of the above shareholders would be increased to approximately 87.95% of the issued share capital of the Company.

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 Buy-back 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 and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARE BUY-BACK MADE BY THE COMPANY

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

9. INTENTION STATEMENT REGARDING REPURCHASED SHARES

Subject to the applicable requirements under the Listing Rules, the Company may cancel the repurchased Shares following settlement of any such repurchase or hold them as treasury Shares, subject to, for example, market conditions and its capital management needs at the relevant time of the repurchases. The Company may re-deposit its treasury Shares into CCASS only if it has an imminent plan to resell these treasury Shares on the Stock Exchange and will complete such resale as soon as possible.

For any treasury Shares deposited with CCASS on the Stock Exchange, the Company will have appropriate measures to ensure that it would not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the relevant laws with respect to treasury Shares. These measures include, for example, an approval by the Board that (i) the Company should procure its broker not to give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury Shares deposited with

CCASS; and (ii) in the case of dividends or distributions, the Company should withdraw the treasury Shares from CCASS, and either re-register them in the Company's name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

Holders of treasury Shares (if any) shall abstain from voting on matters that require Shareholders' approval at the Company's general meetings.

HYBRID MEETINGS AND VIRTUAL MEETINGS

To conform with the Companies (Amendment) Ordinance 2023 which came into operation on 28 April 2023 and to give the Company greater flexibility to align with technological advances or to accommodate particular circumstances, the New Articles will expressly permit the Company to hold general meetings by physical meetings (in any part of the world and at one or more meeting locations), hybrid meetings, or virtual meetings.

TREASURY SHARES

The New Articles reflect recent amendments to the Listing Rules in relation to the Treasury Share Regime as well as the Amended Companies Ordinance, which enable Hong Kong incorporated listed companies to make use of the Treasury Share Regime under the Listing Rules to hold the shares bought back in treasury and sell or transfer treasury Shares subject to certain restrictions. This provides greater flexibility for the Company to manage its capital through Share repurchases and resale or transfer of treasury Shares, subject to the Companies Ordinance and the Listing Rules.

COMMUNICATION BY MEANS OF A WEBSITE

The New Articles reflect the Amended Companies Ordinance, which permit Hong Kong incorporated companies to adopt the implied consent mechanism for disseminating corporate communications to shareholders and debenture holders by means of website. This allows the Company to send or supply corporate communications to Shareholders by making them available on a website (without seeking prior consent from each Shareholder), subject to all relevant requirements in the Companies Ordinance, the Listing Rules and any other applicable laws, rules and regulations.

The following is a summary of the proposed changes under the New Articles and uses the same headings as used in the Articles of Association and the New Articles.

1. Definitions**1.1 New definitions have been incorporated, including:**

1.1.1 **“electronic facilities”** means any electronic facility, platform, device, system, procedure or method (including, without limitation, websites, application technology and/or collaboration and conference systems) providing an electronic means of attendance at or participation in (or both attendance at and participation in) a General Meeting as determined by the Board.

1.1.2 **“General Meeting”** means a meeting of members held in accordance with these Articles; and includes any General Meeting held as the Company’s annual general meeting.

- 1.1.3 “**Hybrid General Meeting**” means a General Meeting convened and held by (i) physical attendance by members and/or proxies at the Principal Meeting Place and, where applicable, one or more Meeting Locations; and (ii) virtual attendance and participation by members and/or proxies by means of electronic facilities.
- 1.1.4 “**Meeting Location(s)**” means the location(s) anywhere in the world determined by the Board to be the physical venue or venues of the meeting.
- 1.1.5 “**Physical General Meeting**” means a General Meeting held and conducted by physical attendance by members and/or proxies at the Principal Meeting Place and, where applicable, one or more Meeting Locations.
- 1.1.6 “**place**” means, in relation to a General Meeting, the place of the physical meeting and where applicable, one or more Meeting Locations (in the case of a Hybrid General Meeting also includes the electronic facilities specified by the Board for the purpose of holding such Hybrid General Meeting) and, where relevant, references to the place of a General Meeting include any combination of two or more places.
- 1.1.7 “**Principal Meeting Place**” means the location anywhere in the world determined by the Board to be the principal physical venue of the meeting.
- 1.1.8 “**Statutes**” means the Ordinance and every other ordinance from time to time in force concerning companies in so far as the same apply to the Company.
- 1.1.9 “**treasury shares**” has the meaning given to it in the Ordinance.
- 1.1.10 “**Virtual General Meeting**” means a general meeting held and conducted by virtual attendance, participation and voting by members and/or proxies solely by means of virtual meeting technology.
- 1.1.11 “**virtual meeting technology**” means a technology that allows a person to listen, speak and vote at a meeting without being physically present at the meeting.
- 1.2 A general interpretation provision clarifies that all references in the New Articles to a person being present at or attending a General Meeting, whether in person or by proxy, refer to a person or proxy attending the physical meeting or participating via electronic facilities and/or virtual meeting technology.

2. Shares

- 2.1 Both the Articles of Association and the New Articles provide that the Company may buy back its shares, subject to applicable legislation and rules.
- 2.2 Both the Articles of Association and the New Articles allow the Company to pay commissions to persons subscribing or procuring subscriptions for shares. The Amended Companies Ordinance provides that the Company may sell or transfer its treasury shares. New Article 12 allows the Company to pay commissions to persons in relation to the sale or transfer of treasury shares.

2A. Treasury Shares

- 2A.1 To bring the Articles of Association in line with the Amended Companies Ordinance which came into operation on 17 April 2025 and to give the Company more flexibility to manage its capital, it is proposed:
- 2A.1.1 New Article 48A and New Article 48D be inserted to expressly permit the Company to hold shares bought back as treasury shares in accordance with the Companies Ordinance and to dispose of the treasury shares on such terms and conditions as determined by the Board subject to the Companies Ordinance and the Listing Rules;
- 2A.1.2 New Article 48B be inserted to specify that no dividend or other distributions of the Company's assets may be declared or paid in respect of a treasury share; and
- 2A.1.3 New Article 48C be inserted to specify that the Company (and/or its nominee(s)) shall be entered in the register of members as the holder of the treasury shares provided that: (a) the Company (and/or its nominee(s)) shall not be treated as a Shareholder and shall not exercise any right in respect of the treasury shares; and (b) a treasury share shall not be voted at any general meeting of the Company and shall not be counted in determining the total voting rights in respect of shares or any class of shares at any given time.

3. Modification of Rights

- 3.1 The Amended Companies Ordinance provides that treasury shares are not counted towards the total voting rights in respect of shares or any class of shares. New Article 53 clarify that treasury shares are excluded from the calculation of shareholder percentages in relation to shareholder consents and determining the quorum for meetings.

4. General Meetings

- 4.1 Under New Article 57, the Board must determine whether a meeting, including an annual general meeting, is to be held as a Physical General Meeting or a Hybrid General Meeting or a Virtual General Meeting. A Virtual General Meeting is a general meeting held and conducted by virtual attendance, participation and voting by members and/or proxies by means of virtual meeting technology. This change will allow the Company to conduct fully virtual meetings in such a way that the participants can listen, speak and vote at a meeting by means of virtual meeting technology without being physically present at the meeting. The Board will also determine the Principal Meeting Place.

5. Notice of General Meetings

- 5.1 New Article 58 clarifies that the notice for calling an annual general meeting shall be not less than twenty-one clear days' notice in writing and the notice for calling any other General Meeting shall be not less than fourteen clear days' notice in writing.
- 5.2 New Article 58 clarifies that the notice will specify whether the meeting will be a Physical General Meeting (which can include physical meetings at multiple locations, referred to as Meeting Locations) or a Hybrid General Meeting or a Virtual General Meeting. The notice must also include the locations of any Meeting Location and the Principal Meeting Place, as well as details of the electronic facilities and/or virtual meeting technology for use at a Hybrid General Meeting or a Virtual General Meeting (or a statement as to the manner in which such details will be made available prior to the meeting).
- 5.3 Article 58A clarifies that with regard to Physical General Meetings:
- 5.3.1 The Board may resolve to hold a meeting by simultaneous participation at any places anywhere in the world determined by the Board in its absolute discretion. Members present in person or by proxy at the Meeting Locations shall be counted in the quorum for, and entitled to vote at, the meeting. The chairman of the General Meeting has to be satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all meeting places are able to:
- (i) participate in the business of the meeting;
 - (ii) hear all persons who speak in the Principal Meeting Place and any Meeting Location; and
 - (iii) be heard by all other persons present at the meeting.

5.4 Article 58A clarifies that with regard to Hybrid General Meetings or Virtual General Meetings:

5.4.1 The Board may resolve to hold a Hybrid General Meeting or a Virtual General Meeting allowing simultaneous attendance by electronic means and/or virtual meeting technology pursuant to arrangements specified in the notice of meeting (or made available prior to the meeting).

5.4.2 The members or proxies present shall be counted in the quorum for, and entitled to vote at, the meeting. The chairman of the General Meeting has to be satisfied that adequate facilities are available throughout the Hybrid General Meeting or the Virtual General Meeting to ensure that members attending the meeting who are not present in the same place or members attending fully virtual meetings (as the case may be) may attend, speak and vote by electronic means and/or virtual meeting technology.

5.4.3 Any documents required to be made available to the meeting are to be accessible electronically.

5.4.4 All persons seeking to attend a Hybrid General Meeting or a Virtual General Meeting shall be responsible for maintaining adequate facilities to enable them to do so. If any person is unable to attend by electronic means, this does not invalidate the meeting.

5.5 New Article 59(b) clarifies that treasury shares are excluded from the calculation of shareholder percentages in relation to the Company calling a meeting by shorter notice than that specified in the New Articles or required by the Companies Ordinance.

5.6 The Articles of Association do not currently contain any procedures to deal with General Meetings disrupted by black rainstorm warning or a gale warning. New Article 60A allows the Directors the power to provide in notices of General Meeting that if a black rainstorm warning or a gale warning is in force on the day of the General Meeting, the meeting may be postponed.

6. Proceedings at General Meetings

6.1 The quorum at meetings is unchanged under the New Articles, being two members present in person or by proxy. The interpretation provision in the New Articles (see paragraph 1.2 above) ensures that the quorum also includes members or proxies attending by electronic means.

- 6.2 New Article 62 clarifies that if a quorum is not present at a meeting within the prescribed time limit, such meeting, if not convened upon requisition, shall stand adjourned to the same day in the next week (or if that day be a public holiday, then to the next business day following such holiday) at the same time and place, or to such other day, time and place, and if applicable, by means of such electronic facilities as the chairman of the meeting may determine.
- 6.3 Where a member or proxy attends a Meeting Location or a Hybrid General Meeting electronically, New Article 62A clarifies that the meeting is treated as having commenced if it commences at the Principal Meeting Place, and is treated as having adjourned or concluded if it adjourns or concludes at the Principal Meeting Place; or in the case of a Virtual General Meeting, the meeting shall be treated as having commenced when the chairman of the meeting announces that the requisite quorum is present.
- 6.4 The Articles of Association allow the chairman of the meeting to adjourn the meeting in certain circumstances. New Article 64 also allows the chairman of the meeting to change the form of the meeting to a Physical General Meeting or a Hybrid General Meeting or a Virtual General Meeting. In addition, if it appears to the chairman of the meeting that:
- 6.4.1 the facilities at the Principal Meeting Place or at such other Meeting Location(s) have become inadequate; or
 - 6.4.2 in the case of a Hybrid General Meeting or a Virtual General Meeting, the electronic facilities and/or virtual meeting technology or security have become inadequate; or
 - 6.4.3 it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
 - 6.4.4 there has ceased to be a quorum; or
 - 6.4.5 there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting;
- the chairman of the meeting may adjourn the meeting or, in the case of a Hybrid General Meeting or a Virtual General Meeting, change the electronic facilities and/or virtual meeting technology.
- 6.5 New Article 64B(a) provides that if a member is unable to attend, in person or by proxy, at any particular meeting place, that member shall be entitled to attend at one of the other meeting places (including by means of electronic facilities, if available).

6.6 New Article 64C(a) provides, in relation to Hybrid General Meetings or Virtual General Meetings, that the rights of a member include the right to listen, speak (which may be implemented by electronic facilities and/or virtual meeting technology, such as by text or chat messaging services, that enable the member to submit questions to the meeting in near real-time during the meeting), to vote on a show of hands or poll, be represented by a proxy and have access to all documents (including electronic access) which are required to be made available at the meeting.

6.7 New Article 64D provides for arrangements at Hybrid General Meetings or Virtual General Meetings to ensure the identification of those taking part and the security of the electronic facilities and/or virtual meeting technology.

6.8 Under New Article 64E, if after sending notice of a meeting, the Board considers it impracticable to hold the meeting on the date or at the time and place and/or by means of the electronic facilities and/or virtual meeting technology specified in the notice, the Board may without approval from the Shareholders:

6.8.1 to postpone the meeting to another date and/or time and/or change the place (in the case of a meeting to be held at the Principal Meeting Place and one or more Meeting Locations, to such other places), and/or change the electronic facilities and/or virtual meeting technology; or

6.8.2 to change the form of the meeting from a Physical General Meeting to a Hybrid General Meeting or a Virtual General Meeting (or vice versa); or

6.8.3 to make any other changes in respect of the meeting.

In these circumstances, no new notice of the General Meeting need be sent but the Company shall:

6.8.4 endeavour to post notice of such change or postponement on the Company's website as soon as practicable; and

6.8.5 unless already specified in the original notice of meeting or included in the notice posted on the Company's website as mentioned above, the Board shall fix the date, time and place (if applicable) and electronic facilities (if applicable) and virtual meeting technology (if applicable), for the changed or postponed meeting and give members reasonable notice (given the circumstances and which, in the case of a postponed meeting shall be at least seven clear days' notice) of such details.

6.9 New Article 64F and New Article 64G allow the chairman of the meeting the power to impose any rules and take any such actions as he thinks fit for the purpose of promoting orderly conduct of the business of a meeting.

7. Voting

- 7.1 Under the Articles of Association, a resolution put to the vote of a meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands, a poll is demanded by the chairman of the meeting or by at least three members present in person or by proxy, or by members representing not less than 5% of the total voting rights of all the members having the right to vote at the meeting.
- 7.2 To conform with the Listing Rules and current market practice, New Article 65(a) provides that a resolution would be decided by way of poll by default (instead of on a show of hands), except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.
- 7.3 New Article 65(a)(iii) clarifies that treasury shares are excluded from the calculation of shareholder percentages for the purpose of carrying out a poll.

8. Directors' Interest

- 8.1 New Article 106(e) clarifies that treasury shares are excluded from the calculation of the percentage of a director's interests in the shares of a company.

9. Dividends and Reserves

- 9.1 New Article 132 expressly permit distribution of scrip dividend by the Company be funded by transfer of treasury shares.

10. Capitalisation of Profit

- 10.1 Both the Articles of Association and the New Articles provide for the capitalisation of the Company's reserves or distributable profits and the allotment of bonus shares.
- 10.2 The Amended Companies Ordinance provides that a listed company may allot shares as fully paid bonus shares in respect of its treasury shares, and any such bonus shares will be regarded as bought back and held by the listed company as treasury shares, unless the listed company decides to cancel them. New Article 140 clarifies that the Company is allowed to participate in an allotment of bonus shares in respect of its treasury shares.

11. Accounts and Auditors

11.1 The Amended Companies Ordinance provides that a listed company may send communications to a shareholder by means of a website without obtaining the shareholder's consent. New Article 144(c) allows the Company to publish the relevant reporting documents and/or the summary financial report on a website, without obtaining the Shareholder's prior agreement. However, New Article 144(c) provides that notices, document or information given by the Company are subject to all relevant requirements in the Companies Ordinance, the Listing Rules and any other applicable laws, rules and regulations and the Amended Companies Ordinance requires the Company to send a one-off notification to Shareholders before using this new provision.

12. Notices

12.1 The Amended Companies Ordinance provides that a listed company may send communications to a shareholder by means of a website without obtaining the shareholder's consent. New Article 149 allows the Company to send communications to a Shareholder by publishing them on a website, without obtaining the Shareholder's prior agreement. However, New Article 149 provides that notices given by the Company are subject to all relevant requirements in the Companies Ordinance, the Listing Rules and any other applicable laws, rules and regulations and the Amended Companies Ordinance requires the Company to send a one-off notification to Shareholders before using this new provision.

12.2 New Article 150 clarifies that the communication on a website is deemed received on the date on which notification of the publication is served on the Shareholder, or if no notification is required by legislation or the Listing Rules, the communication is received on the day it is published on the relevant website.

NOTICE OF ANNUAL GENERAL MEETING



SUN ART RETAIL GROUP LIMITED

高鑫零售有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 06808)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (the “**Annual General Meeting**”) of Sun Art Retail Group Limited 高鑫零售有限公司 (the “**Company**”) will be held at 24/F., Admiralty Centre 1, 18 Harcourt Road, Admiralty, Hong Kong on Thursday, 14 August 2025 at 4:30 p.m. for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors (the “**Directors**”) and auditors for the year ended 31 March 2025.
2. To declare a final dividend of HK\$0.17 per share of the Company for the year ended 31 March 2025.
3.
 - (a) To re-elect Mr. Julian Juul WOLHARDT as a Non-Executive Director.
 - (b) To re-elect Ms. Guannan WANG as a Non-Executive Director.
 - (c) To re-elect Ms. Mengxue MEI as a Non-Executive Director.
 - (d) To re-elect Mr. YIH Lai Tak, Dieter as an Independent Non-Executive Director.
 - (e) To authorize the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
4. To appoint KPMG as auditors of the Company following the retirement of PricewaterhouseCoopers with effect from the conclusion of the Annual General Meeting and to authorize the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. “**THAT:**

- (a) subject to paragraph 5(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 buy-back its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be bought back pursuant to the mandate in paragraph 5(a) above shall not exceed 10% of the total number of issued shares (excluding treasury shares, if any) 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.”

6. “**THAT:**

- (a) subject to paragraph 6(b) below, 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 (including any sale or transfer of treasury shares) in the capital of the Company and to make or grant offers, agreements and options which 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;
- (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 6(a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);

NOTICE OF ANNUAL GENERAL MEETING

- (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 the issued shares of the Company (excluding treasury Shares, if any) 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 6(a) above as a percentage of the total number of issued shares (excluding treasury shares, if any) of the Company 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 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 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).”

7. **“THAT** conditional upon the passing of the resolutions set out in paragraphs 5 and 6 of the notice convening this meeting (the **“Notice”**), the general mandate referred to in the resolution set out in paragraph 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be issued, allotted and deal with or agreed conditionally or unconditionally to be issued, allotted and deal with by the directors of the Company pursuant to such general mandate of the number of shares bought back by the Company pursuant to the mandate referred to in resolution set out in paragraph 5 of the Notice, provided that such number of

NOTICE OF ANNUAL GENERAL MEETING

shares shall not exceed 10% of the total number of issued shares (excluding treasury shares, if any) 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).”

SPECIAL RESOLUTION

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

8. “**THAT** the amended articles of association of the Company (a copy of which has been produced to the meeting and initialled by the chairman of the meeting for the purpose of identification) be adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.”

By Order of the Board
Sun Art Retail Group Limited
SHEN Hui

Executive Director and Chief Executive Officer

Hong Kong, 18 July 2025

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will 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) 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.
2. Any Shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a Shareholder. 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/her. Shareholders may consider appointing the chairman of the above meeting as his/her proxy to vote on the resolutions, instead of attending the above meeting in person.
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 share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 4:30 p.m. on Tuesday, 12 August 2025 (Hong Kong time)) or the adjourned meeting (as the case may be). Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. The record date for determining the entitlement of the shareholders of the Company to attend and vote at the meeting will be on Thursday, 14 August 2025. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Monday, 11 August 2025 to Thursday, 14 August 2025, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, 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 share registrar, 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 Friday, 8 August 2025.
5. For determining the entitlement to the proposed final dividend, the record date is fixed on Friday, 22 August 2025. In order to qualify for the proposed final dividend, 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 share registrar, 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 Friday, 22 August 2025.
6. A circular containing further details concerning items 3, 5, 6, 7 and 8 set out in the above notice will be sent to all shareholders of the Company.
7. References to time and dates in this notice are to Hong Kong time and dates.
8. The Company wishes to advise the Shareholders who are unable to attend the Annual General Meeting may appoint any person or the chairman of the Annual General Meeting as a proxy to vote on the resolutions to be proposed at the Annual General Meeting. The Company also encourages Shareholders to visit the Company’s website and regulatory news services for any updates in relation to the Annual General Meeting that may need to be provided.
9. Bad weather arrangements:

The Annual General Meeting will be held on Thursday, 14 August 2025 as scheduled regardless of whether or not any rainstorm warning signal or tropical cyclone signal is in force in Hong Kong at any time on that day.

Shareholders may visit the website of the Company at www.sunartretail.com for details of the alternative meeting arrangements. Shareholders should make their own decision as to whether they would attend the Annual General Meeting under bad weather conditions having regard to their own situation and if they should choose to do so, they are advised to exercise care and caution.