



ANCHUN INTERNATIONAL HOLDINGS LTD.

Registration No. 200920277C
(Incorporated in the Republic of Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of Anchun International Holdings Ltd. will be held by way of electronic means on Friday, 19 June 2020 at 9:30 a.m. (Singapore time) for the following purposes:
AS ORDINARY BUSINESS

- To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2019 together with the Auditors' Report thereon.
- To declare a final dividend of Renminbi Twelve cents (RMB\$0.12) (one-tier, tax exempt) per ordinary share for financial year ended 31 December 2019.
- To re-elect the following Directors, each of whom retires by rotation pursuant to the Article 89 of the Constitution of the Company and who, being eligible, offer themselves for re-election:
 - Mr. Andrew Bek
 - Mr. Zheng, ZhiZhong
 - Mr. Xie, DingZhong
- To approve the payment of Directors' fees of up to S\$319,000 for the financial year ending 31 December 2020 (FY2019: S\$319,000).
- To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.
- To transact any other ordinary business which may properly be transacted at an AGM.

Ordinary Resolution No. (Resolution 1) (Resolution 2)

(Resolution 3) (Resolution 4) (Resolution 5) (Resolution 6) (Resolution 7)

AS SPECIAL BUSINESS

7. To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

7.1 Authority to issue shares

"That pursuant to Section 161 of the Companies Act, Cap. 50 of Singapore (the "Companies Act") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:

- issue shares in the Company (the "Shares"), whether by way of rights, bonus or otherwise; and/or
- make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued during the continuance of such authority or thereafter, including but not limited to the creation and issue (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may, in their absolute discretion, deem fit; and
- issue Shares in pursuance of any Instrument made or granted by the Board while such authority was in force (notwithstanding that such issue of the Shares pursuant to the Instruments may occur after the expiration of the authority contained in this Resolution);

provided that:

- the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) does not exceed 50% of the issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below) of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - new shares arising from the conversion or exercise of any convertible securities;
 - New shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with the Listing Manual; and
 - any subsequent bonus issue, consolidation or subdivision of shares; provided such adjustment in sub-paragraphs (2) (a) and (b) above are only to be made in respect of new shares arising from the convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;
- in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company;
- unless revoked or varied by the Company in a general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier."

(Resolution 8)

7.2 Renewal of Share Purchase Mandate

"That:

(a) for the purpose of the Companies Act, Cap. 50 of Singapore (the "Companies Act"), the Directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company ("Shares") not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

- an on-market purchase ("Market Purchase") effected on the SGX-ST through the ready market, which may be transacted through one or more duly licensed stock brokers appointed by the Company for that purpose; and/or
 - an off-market purchase ("Off-Market Purchase") effected pursuant to an equal access scheme, as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other laws and regulations, including but not limited to the provisions of the Companies Act and the Listing Manual of the SGX-ST as may for the time being be applicable (the "Share Purchase Mandate");
- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Purchase Mandate shall, at the discretion of the Directors of the Company; either be cancelled or held in treasury and dealt with in accordance with the Companies Act;
- (c) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the Relevant Period which is period commencing from the passing of this Resolution relating to Share Purchase Mandate and expiring on the earlier of:
- the date on which the next AGM of the Company is held or is required by law to be held;
 - the date on which the share purchases are carried out to the full extent mandated; or
 - the date on which the authority contained in the Share Purchase Mandate is varied or revoked;

(Resolution 9)

(d) for purpose of this Resolution: "Prescribed Limit" means that number of Shares representing not more than ten per cent (10%) of the total number of issued share capital (excluding treasury shares and subsidiary holdings) as at the date of passing of this Resolution in relation to the Share Purchase Mandate, unless the Company has, at any time during the Relevant Period, reduced its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Share (excluding treasury shares and subsidiary holdings) shall be taken to be the total number of Share as altered after such capital reduction (excluding any treasury shares and subsidiary holdings, any may be held by the Company from time to time).

"Relevant Period" means the period commencing from the date of the resolution passed in relation to the Share Purchase Mandate and expiring on the date on which the next AGM is held or required by law to be held, whichever is the earlier, unless prior thereto, the Share Purchase has been carried out to the full extent mandated, or the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting;

"Maximum Price" in relation to a Share to be purchased, means the purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax, clearance fees and other related expenses) not exceeding:

- in the case of a Market Purchase, 105% of the Average Closing Price; and
- in the case of an Off-Market Purchase pursuant to an equal access scheme, 110% of the Average Closing Price;

Where: "Average Closing Price" means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with Listing Manual of the SGX-ST for any corporate action that occurs during the relevant 5 Market Days and the day on which the purchase or acquisition of Shares is made;

"Closing Market Price" means the last deal price for a Share transacted through the SGX-ST's Central Limit Order Book trading system as shown in any publication of the SGX-ST or other sources; and

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

(e) the Directors and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Resolution relating to Share Purchase Mandate."

Notice of Record Date for the Final Dividend

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 26 June 2020 for the purpose of determining members' entitlements to the Final Dividend of RMB\$0.12 per ordinary share (one-tier tax exempt) for financial year ended 31 December 2019.

Duly completed registrable transfers of ordinary shares of the Company received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to the close of business at 5:00 p.m. on 25 June 2020 will be registered before entitlement to the Final Dividend are determined. Members whose Securities Accounts with The Central Depository (Pte) Ltd are credited with shares at 5:00 p.m. on 25 June 2020 will be entitled to the Final Dividend.

The Final Dividend, if approved at AGM to be held on 19 June 2020, will be paid on 17 July 2020.

By Order of the Board

Thum Sook Fun
Company Secretary
Singapore, 28 May 2020

Explanatory Notes:

Ordinary Resolutions 3, 4 and 5 in relation to the re-election of Directors

- Mr Andrew Bek will, upon re-election, continue to serve as Independent Director cum member of the Audit Committee.
- Mr Zheng, ZhiZhong will, upon re-election, continue to serve as Executive Director cum Chief Executive Officer.
- Mr Xie, DingZhong will, upon re-election, continue to serve as Non-Independent Non-Executive Director cum member of Nominating and Remuneration Committee respectively.

In relation to Ordinary Resolutions 3, 4 and 5, detailed information on these Directors (including information as set out in Rule 704(6) of the SGX-ST Listing Manual) can be found under the sections entitled "Board of Directors" and "Additional Information on Directors Seeking Re-Election" in the Company's Annual Report 2019.

Ordinary Resolution 6 in relation to the Directors' fee

The Ordinary Resolution 6 in item 4 above is to seek approval for the payment of up to S\$319,000 as directors' fees on a current year basis, that is for the financial year ending 31 December 2020.

In the event that the amount proposed is insufficient, approval will be sought at next year's AGM for payments to meet the shortfall.

Ordinary Resolution 7 in relation to the re-appointment of auditors

The Ordinary Resolution 7 in item 5 above is to re-appoint Messrs Ernst & Young LLP as the Company's Auditors and to authorise the Directors to fix their remuneration.

The Company has complied with Rule 713 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual by ensuring that the audit partner is not in charge of more than 5 consecutive years of audits. The current audit partner, Mr. Tan Soon Seng, was appointed since financial year ended 31 December 2016.

Ordinary Resolution 8 in relation to the Share Issue Mandate

The Ordinary Resolution 8 in item 7.1 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, fifty per cent. (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to twenty per cent. (20%) may be issued other than on a pro-rata basis to shareholders.

Ordinary Resolution 9 in relation to the Renewal of Share Purchase Mandate

The Ordinary Resolution 9 in item 7.2 above is to empower the Directors to make purchase (whether by way of Market Purchase or Off-Market Purchase on an equal access scheme) from time to time during Relevant Period (as hereinafter defined) of up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at prices up to but not exceeding the Maximum Price. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are set out in greater detail in the Letter to Shareholders dated 28 May 2020 accompanying this notice of AGM.

IMPORTANT NOTES:-

This Notice of AGM takes into account the latest measures to-date to deal with the COVID-19 situation announced and/or implemented in Singapore which affect the holding or conduct of general meetings ("Enhanced Measures").

- the guidance for issuers on safe distancing measures when conducting general meetings set out in the joint statement issued on 31 March 2020 by the Accounting and Corporate Regulatory Authority of Singapore ("ACRA"), the Monetary Authority of Singapore ("MAS") and the Singapore Exchange Regulation ("SGX RegCo");
- the implementation of the circuit breaker measures (enhanced safe distancing measures and closure of workplace premises) announced by the Singapore Government on 3 April 2020 to minimise the further spread of COVID-19;
- the COVID -19 (Temporary Measures) Act 2020 (the "Act") passed by the Singapore Parliament on 7 April 2020 which enable the Minister of Law ("MOL") by order to prescribe alternative arrangements for listed companies in Singapore to, inter alia, conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means;
- the COVID-19 (Temporary Measures) (Alternative Arrangements for Meeting for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order") which was gazetted on 13 April 2020, and which set out the alternative arrangements in respect of, *inter alia*, general meetings of companies; and
- the additional guidance which contains a checklist to guide listed and non-listed entities on the conduct of general meetings when the elevated safe distancing measures are in place as set out in the joint statement issued on 13 April 2020 by ACRA, MAS and SGX RegCo.

Apart from the above developments, the Company had adopted the foregoing guidance to convene its AGM in order to comply with the Enhanced Measures:-

1. INTRODUCTION

The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The arrangements will be sent to Shareholders by electronic means via publication on (i) SGX-ST's website at <http://www.sgx.com/securities/com-announcements>; and (ii) the Company's corporate website at <http://www.anchun.com/investor-relations/>. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in the Company's announcement dated 28 May 2020 which has been uploaded together with this Notice of AGM on SGXNET and the Company's website on the same day. The announcement and this Notice of AGM may also be accessed at <http://www.anchun.com/investor-relations/>.

2. CONDUCT OF AGM

2.1 Due to current COVID-19 situation, shareholder will NOT able to attend the AGM in person. Shareholders may participate in the AGM by: (a) observing and/or listening to the AGM proceedings via live audio-visual webcast; (b) appointing the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the AGM; and (c) submitting questions prior to the AGM. To do so, please read the following steps carefully:-

2.1.1 Pre-Registration of Attendance and attend the AGM via Live Audio-Visual Webcast

Shareholders who wish to attend the AGM via live audio-visual webcast are required to pre-register via <https://www.bigbangdesign.co/anchun-pre-registration-microsites/> by 16 June 2020 on Tuesday, by 9:30 a.m. to enable the Company to verify their status as Shareholders. Upon the verification, verified Shareholders will receive a confirmation email by 17 June 2020 which include user ID and/or password details ("Details") as well as the link to access the live audio-visual webcast. Please **DO NOT** disclose Details to those who are not entitled to attend the AGM. Your present via live audio-visual webcast shall be taken as attendance at the AGM and please do note that if there is no email confirmation received by the shareholders by 17 June 2020, you may email to srs.teamd@boardroomlimited.com. Further, if the shareholders' information is unable to be verified (e.g. typo error), you will be denied to access the AGM via live audio-visual webcast. Person who hold shares through relevant intermediary* including CPF and SRS investors, who wish to participate in the AGM via live webcast should contact their relevant intermediaries through which they hold shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

*A Relevant Intermediary is:-

- a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore and who holds shares in that capacity; or
- the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

2.1.2 **Voting by Proxy:** Shareholders (whether individual or corporate) who wish to vote must submit their proxy forms in advance and appoint "Chairman of the AGM" as their proxy by giving the specific instruction to vote. The Chairman of the Meeting as Proxy, need not be a member of the Company. The proxy form may also be accessed same as the Notice of this AGM based on Note 1.

Shareholder can either choose to submit the completed and signed proxy form by the following manners **not less than 48 hours before the time appointed for the AGM:-**

- If submitted by post, be deposited at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or
- If submitted electronically, via email to srs.teamd@boardroomlimited.com

A member who wishes to submit an instrument of proxy must first **download, complete and sign** the proxy form, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members of the Company, if no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate held by you.

The instrument appointing Chairman as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing Chairman as proxy is executed by a corporation, it must be either under its common seal or under the hand of any duly authorised officer or attorney duly authorised. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), if required by law, be duly stamped and to be deposited based on the above item 2.1.2 (i) or (ii), failing which the Proxy Form may be treated as invalid.

For CPF or SRS investors who wish to appoint the Chairman as proxy should approach their respective CPF Agents Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM.

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose shares are entered against his/her name in the Depository Register, the Company may reject any instrument of proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time appointed for holding the meeting, as certified by the Depository to the Company.

2.1.3 **Submission of Questions:** A member who pre-registers to watch the live audio-visual webcast may also submit questions related to the resolutions to be tabled for approval at the AGM. To do so, all questions must be submitted by 9:30 a.m. on 16 June 2020.

- via the pre-registration website at <https://www.bigbangdesign.co/anchun-pre-registration-microsites/>
- in hard copy by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or
- by email to srs.teamd@boardroomlimited.com

The Company will endeavour to upload the Company's responses to substantial queries from Shareholders on the SGXNET by 12 June 2020. Any subsequent queries after 10 June 2020 will be addressed during the AGM.

The substantial queries and responded answer during AGM will be published at our corporate website and SGXNET within one (1) month after the conclusion of the said AGM.

3. ANNUAL REPORT AND OTHER DOCUMENTS

- The Annual Report for the financial year ended 31 December 2019 ("FY2019 Annual Report") which was issued on 15 April 2020 can be accessed at the Company's website at the URL <http://www.anchun.com/investor-relations/>
- The following documents are made available to members on via publication on (i) SGX-ST's website at <http://www.sgx.com/securities/com-announcements>; and (ii) the Company's corporate website at URL <http://www.anchun.com/investor-relations/>
 - FY2019 Annual Report including the Sustainability Report 2019;
 - Addendum to the Annual Report and Sustainability Report for the Financial Year Ended 31 December 2019;
 - Letter to Shareholders in respect of the Proposed Renewal of the Share Purchase Mandate;
 - Notice of AGM; and
 - Proxy form in relation to the AGM.

As the COVID-19 situation still evolving, the Company will closely monitor the situation and reserves the right to take further measures or short-notice arrangements as and when appropriate in order to minimise any risk to the AGM. Any material developments will be announced on the SGXNET and Members are advised to check the SGXNET regularly for updates on the Annual General Meeting and/or material developments.

Personal Data Privacy

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, (iii) undertakes that the member will only use the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iv) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. The member's personal data and the proxy's and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes.