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

If you have sold or transferred all your shares in EverChina Int'l Holdings Company Limited, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

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EVERCHINA INT'L HOLDINGS COMPANY LIMITED

潤中國際控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

PROPOSED RE-ELECTION OF RETIRING DIRECTORS, PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE AND TO BUY-BACK SHARES, PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME AND NOTICE OF 2021 ANNUAL GENERAL MEETING

A notice convening annual general meeting of EverChina Int'l Holdings Company Limited (the "Company") to be held at Unit 1506, 15/F, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong at 10:50 a.m. on Friday, 3 September 2021 is enclosed. A form of proxy is also enclosed.

Whether or not you are able to attend the annual general meeting of the Company, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the office of the Company's share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from subsequently attending and voting at the annual general meeting or any adjourned meeting should you so wish.

PRECAUTIONARY MEASURES FOR THE 2021 ANNUAL GENERAL MEETING

Please see page 1 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the 2021 annual general meeting of the Company ("2021 Annual General Meeting"), including:

- compulsory body temperature check for each attendee
- compulsory wearing of a surgical face mask for each attendee
- no distribution of corporate gift and no refreshment will be served
- compulsory health declaration from each attendee

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine will be denied entry into the meeting venue. The Company reminds Shareholders that they may appoint the chairman of the 2021 Annual General Meeting as their proxy to vote on the relevant resolution(s) at the 2021 Annual General Meeting as an alternative to attending the 2021 Annual General Meeting in person.

28 July 2021

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PRECAUTIONARY MEASURES FOR THE 2021 ANNUAL GENERAL MEETING

The health of our Shareholders, staff and stakeholders is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the 2021 Annual General Meeting to protect attending Shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius will be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Compulsory wearing of surgical face mask by all attendees throughout the 2021 Annual General Meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.
- (iv) Each attendee will be asked whether (a) he/she has travelled outside of Hong Kong within the 14-day period immediately before the 2021 Annual General Meeting; and (b) he/she is subject to any quarantine prescribed by the Hong Kong Government. Anyone with an affirmative answer to any of these questions will be denied entry into the meeting venue and will be required to leave the meeting venue.

To the extent permitted under the laws of Hong Kong, the Company reserves the right to deny entry into the meeting venue or require any person to leave the meeting venue so as to ensure the health and safety of the attendees at the 2021 Annual General Meeting.

In addition, the Company reminds all Shareholders that attendance in person at the 2021 Annual General Meeting is not compulsory for the purpose of exercising voting rights. Shareholders may appoint the chairman of the 2021 Annual General Meeting as their proxy to vote on the relevant resolution(s) at the 2021 Annual General Meeting instead of attending the 2021 Annual General Meeting in person, by completing and returning the proxy form attached to this circular. Alternatively, the form of proxy can be downloaded from the Company's website at www.everchina202.com.hk and the HKEXnews website at www.hkexnews.hk. If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

Subject to the development of COVID-19, the Company may be required to change the 2021 Annual General Meeting arrangements at short notice. Shareholders should check the Company's website for further announcements and updates on the 2021 Annual General Meeting arrangements.

DEFINITIONS

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

“2021 Annual General Meeting”	the annual general meeting of the Company to be held at Unit 1506, 15/F., Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong at 10:50 a.m. on Friday, 3 September 2021, to consider and, if appropriate, to approve the resolutions to be proposed at the 2021 Annual General Meeting or any adjournment thereof
“Adoption Date”	the date on which the New Share Option Scheme be adopted by ordinary resolution of the Company at the 2021 Annual General Meeting
“AGM Notice”	notice of the 2021 Annual General Meeting which is set out on pages 27 to 32 of this circular
“associate(s)”	has the same meaning as ascribed in the Listing Rules
“Board”	the board of Directors
“Code”	the Hong Kong Code on Takeovers and Mergers
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	EverChina Int’l Holdings Company Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Eligible Employees”	any employee (whether full time or part time employee, including any executive directors but not any non-executive director and independent non-executive director) of the Group
“Existing Buy-back Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 11 September 2020 to buy-back Shares not exceeding 10% of the aggregate number of the issued Shares as at 11 September 2020
“Existing Issue Mandate”	a general mandate granted to the Directors at the annual general meeting of the Company held on 11 September 2020 to allot, issue and deal with Shares not exceeding 20% of the aggregate number of the issued Shares as at 11 September 2020

DEFINITIONS

“Existing Share Option Scheme”	the existing share option scheme adopted by the Company pursuant to an ordinary resolution passed by the Shareholders on 12 August 2011
“Grantee”	any Participant who accepts the offer of the grant of any Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	22 July 2021, 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
“New Share Option Scheme”	the share option scheme proposed to be conditionally approved at the 2021 Annual General Meeting, the principal terms of which are set out in Appendix III to this circular
“Option(s)”	an option to subscribe for Shares to be granted pursuant to the terms of the New Share Option Scheme
“Participant”	any of the following: (aa) any Eligible Employee; and (bb) any non-executive director (including independent non-executive director) of the Group
“PRC”	the People’s Republic of China, which, for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Buy-back Mandate”	a general mandate proposed to be granted to the Directors at the 2021 Annual General Meeting to buy-back Shares not exceeding 10% of the aggregate number of the issued Shares as at the date of passing of relevant resolution granting such proposed buy-back mandate

DEFINITIONS

“Proposed Issue Mandate”	a general mandate proposed to be granted to the Directors at the 2021 Annual General Meeting to allot, issue and deal with Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing of relevant resolution granting such proposed issue mandate
“Retiring Directors”	Mr. Jiang Zhaobai and Mr. Lam Cheung Shing, Richard
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the share(s) of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance) of the Company
“%”	per cent.



EVERCHINA INT'L HOLDINGS COMPANY LIMITED

潤中國際控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

Executive Directors:

Mr. Jiang Zhaobai

Mr. Lam Cheung Shing, Richard

Mr. Chen Yi, Ethan

Independent non-executive Directors:

Mr. Ho Yiu Yue, Louis

Mr. Ko Ming Tung, Edward

Mr. Ng Ge Bun

Registered office:

Suites 601–603

6/F., Everbright Centre

108 Gloucester Road

Wanchai

Hong Kong

28 July 2021

To the Shareholders,

Dear Sir or Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE
AND TO BUY-BACK SHARES,
PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME
AND
NOTICE OF 2021 ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the 2021 Annual General Meeting for the approval of (a) proposed re-election of the Retiring Directors; (b) the grant to the Directors of the Proposed Issue Mandate; (c) the grant to the Directors of the Proposed Buy-back Mandate; (d) the extension of the Proposed Issue Mandate to issue Shares by adding to it the aggregate number of the issued Shares bought back under the Proposed Buy-back Mandate; and (e) the proposed adoption of the New Share Option Scheme.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. Jiang Zhaobai, Mr. Lam Cheung Shing, Richard and Mr. Chen Yi, Ethan; and the independent non-executive Directors are Mr. Ho Yiu Yue, Louis, Mr. Ko Ming Tung, Edward and Mr. Ng Ge Bun.

Pursuant to the articles of association of the Company (the “**Articles**”), at each of the annual general meeting, one third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to not less than one-third) shall retire from office by rotation, provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Jiang Zhaobai and Mr. Lam Cheung Shing, Richard shall retire by rotation from office and being eligible, will offer themselves for re-election at the 2021 Annual General Meeting.

With their breadth and diversity of experience and background as more particularly set out in Appendix I to this circular, the Retiring Directors proposed for re-election at the 2021 Annual General Meeting are able to provide valuable and diverse views, as well as relevant insights to the Board and to contribute to the diversity of the Board. Accordingly, they are recommended by the nomination committee of the Company and the Board for re-election at the 2021 Annual General Meeting.

If a valid notice from a Shareholder to propose a person to stand for election as a Director at the 2021 Annual General Meeting is received in accordance with the Companies Ordinance after the printing of this circular, the Company will issue a supplementary circular to inform Shareholders of the details of such additional candidate(s) proposed.

PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE AND TO BUY-BACK SHARES

At the annual general meeting of the Company held on 11 September 2020, ordinary resolutions were passed granting the Existing Buy-back Mandate and the Existing Issue Mandate to the Directors.

In accordance with the provisions of the Listing Rules and the terms of the Existing Issue Mandate and the Existing Buy-back Mandate, the Existing Issue Mandate and the Existing Buy-back Mandate shall lapse if, inter alia, they are revoked or varied by ordinary resolutions of the Shareholders in general meeting.

LETTER FROM THE BOARD

Ordinary resolutions set out as resolutions 4(1)(d) and 4(2)(c) in the AGM Notice will be proposed at the 2021 Annual General Meeting to revoke the Existing Issue Mandate and the Existing Buy-back Mandate respectively. Ordinary resolutions to consider, and if thought fit, to approve the Proposed Issue Mandate and the Proposed Buy-back Mandate as set out in resolutions 4(1)(a), (b), (c) and (e) and resolutions 4(2)(a), (b) and (d) in the AGM Notice respectively will also be proposed at the 2021 Annual General Meeting. With reference to the Proposed Issue Mandate and the Proposed Buy-back Mandate, the Directors wish to state that they have no immediate plans to issue or to buy-back any Shares pursuant thereto. As at the Latest Practicable Date, the number of Shares in issue was 7,294,369,363 Shares. Subject to the passing of the resolution granting the Proposed Issue Mandate and on the basis that no further Shares will be issued or bought back before the 2021 Annual General Meeting, the Company will be allowed to issue a maximum of 1,458,873,872 Shares upon exercise of the Proposed Issue Mandate in full.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Proposed Buy-back Mandate is set out in the Appendix II to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the 2021 Annual General Meeting.

Ordinary resolution set out as resolution 4(3) in the AGM Notice will also be proposed at the 2021 Annual General Meeting to extend the Proposed Issue Mandate by adding to it the aggregate number of the issued Shares bought back under the Proposed Buy-back Mandate.

PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company pursuant to the ordinary resolution passed by the Shareholders on 12 August 2011. The Existing Share Option Scheme has a term of 10 years from its adoption date which will expire on 12 August 2021.

No option had been granted under the Existing Share Option Scheme since its adoption. The Company has no intention to grant any options under the Existing Share Option Scheme from the Latest Practicable Date to the expiry date of the Existing Share Option Scheme. Notwithstanding that no option had been granted under the Existing Share Option Scheme, the Board considers that the New Share Option Scheme will provide flexibility in enabling the Group to incentive or reward to the eligible Participants for their contribution or potential contribution to, and continuing efforts to promote the interest of, the Group and will assist the Group in its recruitment and retention of high caliber professionals, executives and employees who are instrumental to the growth and development of the Group. The Board also considers that the eligible Participants will share the same interests and objectives of the Group upon their exercise of the Options and this is beneficial to the long-term development of the Group.

LETTER FROM THE BOARD

In addition, the adoption of the New Share Option Scheme is in line with modern commercial practice that full time or part time employees and directors of the Group be given incentives to work towards the goal of enhancing the enterprise value and attaining the long-term objectives of the Company for the benefit of the Group as a whole. Accordingly, the Board proposes to adopt the New Share Option Scheme which it considers is in the interests of the Company and the Shareholders as a whole. An ordinary resolution will be proposed at the 2021 Annual General Meeting to seek the Shareholders' approval for the adoption of the New Share Option Scheme. As at the Latest Practicable Date, the Company did not have any intention or plan to grant any Options under the New Share Option Scheme.

Principal terms of the New Share Option Scheme

A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. The purpose of the New Share Option Scheme is to provide incentives or rewards to the Participants for their contribution or potential contribution to, and continuing efforts to promote the interest of, the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group.

The New Share Option Scheme does not specify a minimum period for which an Option must be held nor a performance target which must be achieved before an Option can be exercised. However, at the time of the grant of the Options, the Company may specify such minimum period or performance target and the rules of the New Share Option Scheme provide that the Board may determine, at its sole discretion, such term(s) on the grant of an Option. The basis for determination of the exercise price is also specified precisely in the rules of the New Share Option Scheme. The Board believes this will provide the Board with more flexibility in imposing appropriate conditions in light of the circumstances of each grant and help facilitate the achievement of the purpose of the New Share Option Scheme.

None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in the trustee of the New Share Option Scheme, if any.

LETTER FROM THE BOARD

The major differences in the terms between the Existing Share Option Scheme and the New Share Option Scheme are as follows:

Major differences	Existing Share Option Scheme	New Share Option Scheme
<i>Definition of participant</i>	<p>The eligible participants include (aa) any employee (whether full time or part time employee, including any executive directors but not any non-executive director and independent non-executive director) of the Company, its Subsidiaries and any entity in which the Group holds an equity interest (irrespective of the percentage of such equity interest) (the “Invested Entity”); (bb) any non-executive director (including independent non-executive directors) of the Company, any of its Subsidiaries and any Invested Entity; (cc) any supplier of goods or services to any member of the Group or any Invested Entity; (dd) any customer of the Group or any Invested Entity; and (ee) any consultant, adviser, manager, officer or entity that provides research, development or other technological support to the Group or any Invested Entity.</p>	<p>The eligible Participants include (aa) any employee (whether full time or part time employee, including any executive directors but not any non-executive director and independent non-executive director) of the Group; and (bb) any non-executive director (including independent non-executive directors) of the Group.</p> <p>All references to “Invested Entity” have not been included in the New Share Option Scheme.</p>
<i>Definition of Shares</i>	<p>The ordinary share(s) of HK\$0.10 each (or of such other nomination amount as may be resulted from a sub-division, consolidation, re-classification or re-construction of such shares from time to time) in the capital of the Company.</p>	<p>The ordinary share(s) of the Company.</p> <p>All references to the nominal value of the Shares and/or the share capital of the Company have not been included in the New Share Option Scheme.</p>
<i>Grant of options</i>	<p>Options may be granted to any company wholly-owned by a participant.</p>	<p>No Options may be granted to any company wholly-owned by a Participant.</p> <p>All references to “a company wholly-owned by a Participant” have not been included in the New Share Option Scheme.</p>

LETTER FROM THE BOARD

Major differences	Existing Share Option Scheme	New Share Option Scheme
<i>Subscription price</i>	<p>The subscription price for Shares in respect of any Options granted under the Existing Share Option Scheme will be a price determined by the Board, in its absolute discretion, but in any case will not be lower than the higher of (1) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of offer, which must be a trading day; (2) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant; and (3) the nominal value of a Share on such date of grant, provided that for the purpose of calculating the subscription price, where the Shares have been listed on the Stock Exchange for less than five trading days, the new issue price shall be used as the closing price for any trading day falling within the period before such listing.</p>	<p>The subscription price for Shares in respect of any Options granted under the New Share Option Scheme will be a price determined by the Board, in its absolute discretion, but in any case will not be lower than the higher of (1) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a trading day; and (2) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant.</p>

LETTER FROM THE BOARD

Major differences	Existing Share Option Scheme	New Share Option Scheme
<i>Effect of alterations to capital</i>	<p>In the event of any alteration in the capital structure of the Company while any option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction (other than an issue of Shares as consideration in respect of a transaction or a placing or subscription of Shares in cash), such corresponding alterations (if any) shall be made in: (aa) the number of Shares subject to the option so far as unexercised; and/or (bb) the subscription price; and/or (cc) the maximum number of Shares for which further options may be granted under the Existing Share Option Scheme, as the Company's independent financial adviser or auditors shall certify in writing to the Board to be in their opinion fair and reasonable, provided that no such alteration shall be made so that a Share would be issued at less than its nominal value and in such circumstances, the subscription price shall be reduced to the nominal value. Any such alteration must be made so that each grantee is given the same proportion of the equity capital of the Company as such grantee was previously entitled. No such adjustment will be required in circumstances where there is an issue of Shares or other securities of the Group as consideration in a transaction. Any adjustment made to the exercise price of, and/or the number of Shares subject to, any options must comply with the Listing Rules and the supplemental guidance issued by the Stock Exchange on 5 September 2005.</p>	<p>In the event of any alteration in the capital structure of the Company while any Option remains exercisable whether by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of capital of the Company (other than an issue of Shares as consideration in respect of a transaction), such corresponding alterations (if any) shall be made in: (aa) the number of Shares subject to the Option so far as such Option remains unexercised; and/or (bb) the subscription price, as the Company's independent financial adviser or the auditors shall certify in writing to the Board to be in their opinion fair and reasonable, provided that any such alterations shall satisfy the requirements set forth in Chapter 17 of the Listing Rules (including Rule 17.03(13) of the Listing Rules) and/or the note thereto (including any future amendments or replacement thereof) and FAQ No. 072-2020 and any future guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time and be made on the basis that the Grantee shall have the same proportion of the issued Shares to which he was entitled before such alteration and the aggregate subscription price payable by the Grantee on the full exercise of any Option shall remain as nearly as possible the same as (but not greater than) it was before such event.</p>

LETTER FROM THE BOARD

Conditions precedent of the New Share Option Scheme

The New Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution approving, inter alia, the adoption of the New Share Option Scheme by the Shareholders and authorising the Board to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme; and
- (ii) the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be allotted and issued pursuant to the exercise of the Options granted under the New Share Option Scheme.

If the above conditions are not satisfied on or before 31 October 2021, the New Share Option Scheme shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the New Share Option Scheme. As at the Latest Practicable Date, no Option had been granted or agreed to be granted under the New Share Option Scheme.

As at the Latest Practicable Date, there were 7,294,369,363 Shares in issue. Assuming no further Shares are issued prior to the Adoption Date, Options to subscribe for a total of 729,436,936 Shares may be granted under the New Share Option Scheme, representing 10% of the total issued Shares as at the Adoption Date.

Application will be made to the Stock Exchange for the approval for the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of the Options granted under the New Share Option Scheme.

Value of the Options

The Directors consider it inappropriate to disclose the value of Options which may be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date as a number of variables which are crucial for the calculation of the value of the Options have not been determined. Such valuation include but not limited to the exercise price, exercise period, any lock up period, any performance targets and other variables. As no Option has been granted, certain variables are not available for calculating the value of Options. The Directors believe that any calculation of the value of Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution regarding the proposed adoption of the New Share Option Scheme at the 2021 Annual General Meeting. The Company will comply with all applicable requirements under Chapter 17 of the Listing Rules in respect of the operation of the New Share Option Scheme.

LETTER FROM THE BOARD

2021 ANNUAL GENERAL MEETING

A notice convening the 2021 Annual General Meeting to be held at Unit 1506, 15/F., Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong at 10:50 a.m. on Friday, 3 September 2021 is set out on pages 27 to 32 of this circular.

A form of proxy for use by the Shareholders at the 2021 Annual General Meeting is enclosed with this circular. Whether or not you intend to attend and vote at the 2021 Annual General Meeting in person, you are requested to complete the form of proxy and return it to the office of the Company's share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2021 Annual General Meeting or any adjourned meeting. Completion and return of the form of proxy will not prevent you from attending and voting at the 2021 Annual General Meeting or any adjourned meeting should you so wish.

RECOMMENDATIONS

The Directors consider that the proposed ordinary resolutions for approval of (a) proposed re-election of the Retiring Directors; (b) granting to the Directors the Proposed Issue Mandate; (c) granting to the Directors the Proposed Buy-back Mandate; (d) to extend the Proposed Issue Mandate to issue Shares by adding to it the aggregate number of the issued Shares bought back under the Proposed Buy-back Mandate; and (e) the proposed adoption of the New Share Option Scheme are in line with the requirements under the Listing Rules and in the interests of the Company, the Shareholders and, in particular, the Group as a whole. The Directors therefore recommend the Shareholders to vote in favour of these ordinary resolutions.

RESPONSIBILITY STATEMENT

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

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
For and on behalf of the Board
EverChina Int'l Holdings Company Limited
Lam Cheung Shing, Richard
Executive Director and Chief Executive Officer

APPENDIX I INFORMATION OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2021 ANNUAL GENERAL MEETING

This appendix sets out the information, as required to be disclosed by the Listing Rules, on the Directors proposed to be re-elected at the 2021 Annual General Meeting.

Mr. JIANG Zhaobai (“Mr. Jiang”)

Mr. JIANG Zhaobai, aged 58, has been appointed as an executive Director and Chairman of the Board in September 2012. He has over 27 years’ experience in real estate development and investment in the PRC and extensive experience in international investment including minerals, dairy and agricultural industries and property investment etc. He is also the chairman of the board of Shanghai Pengxin (Group) Co., Ltd. (“**Shanghai Pengxin**”). Mr. Jiang is the founder of Shanghai Pengxin and Shanghai Pengxin Real Estate Development Co., Ltd. (“**Pengxin Real Estate**”). He was the chairman of Shanghai Pengxin during the period from April 1997 to May 2000 and the chairman of Pengxin Real Estate during the period from January 1995 to March 1997. Mr. Jiang was appointed as vice president of China Enterprise Directors Association from July 2010 to July 2015 and is currently a rotating chairman of New Shanghai Businessman Federation (上海新滬商聯合會). He graduated in Nanjing Institute of Architecture and Civil Engineering and was admitted to an Executive Master of Business Administration degree at China Europe International Business School in June 2005.

The Company has entered into a service agreement with Mr. Jiang and Mr. Jiang had not been appointed for a specific term, but he is subject to retirement by rotation and re-election in accordance with the Articles. Pursuant to the service agreement entered into between the Company and Mr. Jiang, Mr. Jiang is entitled to receive a monthly salary of HK\$300,000 with bonus payable at the discretion of the Board, and a fixed director’s fee of HK\$240,000 per annum, which has been approved by the Board with reference to his duties and responsibilities in the Company, his qualifications, experience and the prevailing market situation. As at the Latest Practicable Date, Mr. Jiang was deemed to be interested in 1,742,300,000 Shares, representing approximately 23.89% of the total number of issued Shares, within the meaning of Part XV of the SFO, of which 709,000,000 Shares were held by Pengxin Holdings Company Limited and 1,033,300,000 Shares were held by Rich Monitor Limited, all of which were wholly-owned by Mr. Jiang.

Save as disclosed, as at the Latest Practicable Date, (i) Mr. Jiang did not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (ii) he did not have any interest in the Shares within the meaning of Part XV of the SFO; (iii) he did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) he did not hold other positions with other members of the Group.

There is no other information in relation to the re-election of Mr. Jiang which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules. Save as disclosed above, there are no other matters in relation to the re-election of Mr. Jiang that need to be brought to the attention of the holders of securities of the Company.

APPENDIX I INFORMATION OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2021 ANNUAL GENERAL MEETING

Mr. LAM Cheung Shing, Richard (“Mr. Lam”)

Mr. LAM Cheung Shing, Richard, aged 63, is the deputy chairman and chief executive officer of the Company since June 2009. In August 2001, Mr. Lam was appointed as an executive Director and deputy chief executive officer of the Company and was designated as the chairman of the Company during the period from May 2009 to June 2009. He is a member of the nomination committee and the remuneration committee of the Company. Mr. Lam is a fellow member of both Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants. Mr. Lam was admitted to the Master Degree of Business Administration in the Chinese University of Hong Kong in 2006. Mr. Lam spent over ten years in PricewaterhouseCoopers, an international accounting firm and promoted to a senior audit manager, and is equipped with extensive experience in accountancy, taxation and corporate finance.

Prior to joining the Group, Mr. Lam held senior positions in a number of listed companies in Hong Kong, including Sun Hung Kai & Co., Limited, Kingsway SW Asset Management Limited and U-Cyber Technology Holdings Limited. Other than the directorship in the Company, currently, Mr. Lam is also an independent non-executive director of Lajin Entertainment Network Group Limited (stock code: 8172) and China Water Industry Group Limited (stock code: 1129), whose shares are listed on GEM and the Main Board of the Stock Exchange respectively. Besides, Mr. Lam was appointed as either an independent non-executive director or an executive director in various companies whose shares are listed on the Main Board of the Stock Exchange during the period from 2001 to July 2014, including Eagle Legend Asia Limited, Kai Yuan Holdings Limited and Softpower International Limited (previously known as China Pipe Group Limited).

The Company has entered into a service agreement with Mr. Lam and Mr. Lam had not been appointed for a specific term, but he is subject to retirement by rotation and re-election in accordance with the Articles. Pursuant to the service agreement entered into between the Company and Mr. Lam, Mr. Lam is entitled to receive a monthly salary of HK\$293,000 with bonus payable at the discretion of the Board, and a fixed director’s fee of HK\$240,000 per annum, which has been approved by the Board with reference to his duties and responsibilities in the Company, his qualifications, experiences and the prevailing market situation.

As at the Latest Practicable Date, Mr. Lam was interested in 7,700,000 Shares, representing approximately 0.11% of the total number of issued Shares within the meaning of Part XV of the SFO. Save as disclosed above, as at the Latest Practicable Date (i) Mr. Lam did not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (ii) he did not have any interest in the Shares within the meaning of Part XV of the SFO; (iii) he did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) he did not hold other positions with other members of the Group.

There is no other information in relation to the re-election of Mr. Lam which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules. Save as disclosed above, there are no other matters in relation to the re-election of Mr. Lam that need to be brought to the attention of the holders of securities of the Company.

This appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the 2021 Annual General Meeting in relation to the Proposed Buy-back Mandate.

(1) SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares in issue was 7,294,369,363 Shares. Subject to the passing of the resolution granting the Proposed Buy-back Mandate and on the basis that no further Shares will be issued or bought back before the 2021 Annual General Meeting, the Company will be allowed to buy-back a maximum of 729,436,936 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

(2) SOURCE OF FUNDS

Buy-backs must be funded out of fund legally available for the purpose and in accordance with the Articles and the laws of Hong Kong, the jurisdiction in which the Company is incorporated.

(3) REASONS FOR BUY-BACKS

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to buy-back its Shares on the Stock Exchange. Such buy-back may, depending on market conditions, and funding arrangements at the time, lead to an enhancement of the net asset value of the Company 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.

The Directors have no present intention to buy-back any Shares and they would only exercise the power to buy-back in circumstances where they consider that the buy-back would be in the best interests of the Company. The Directors consider that if the general mandate to buy-back Shares were to be exercised in full at the prevailing market value, it would have a material adverse impact on the working capital position and gearing position of the Company, as compared with the positions disclosed in the audited consolidated accounts of the Company for year ended 31 March 2021, being the date to which the latest published accounts of the Company were made up. The Directors do not propose to exercise the general mandate to buy-back Shares 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 of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

(4) SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the 12 months immediately preceding the Latest Practicable Date:

Month	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
July	0.198	0.17
August	0.184	0.172
September	0.185	0.172
October	0.184	0.176
November	0.184	0.173
December	0.185	0.173
2021		
January	0.199	0.176
February	0.183	0.170
March	0.187	0.162
April	0.190	0.171
May	0.186	0.174
June	0.188	0.171
July (up to and including the Latest Practicable Date)	0.204	0.180

(5) GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors nor any of their close associates currently intends to sell any Shares to the Company in the event that the Proposed Buy-back Mandate is approved.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Proposed Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, in the event that the Proposed Buy-back Mandate is approved by the Shareholders.

If as a result of a buy-back of Shares pursuant to the Proposed 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 Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined in the Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Jiang, an executive Director and the chairman of the Company, and his parties acting in concert (as defined in the Code) were interested in 1,742,300,000 Shares, representing approximately 23.89% of the total number of issued Shares. In the event that the Directors shall exercise the Proposed Buy-back Mandate in full and assuming that there is no change in the issued Shares from the date of passing of relevant resolution granting the Proposed Buy-back Mandate, the percentage shareholding of Mr. Jiang and his parties acting in concert would be increased to approximately 26.54% of the total number of issued Shares. Accordingly, such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Code. The Directors have no present intention to exercise in full the power to buy-back Shares proposed to be granted pursuant to the Proposed Buy-back Mandate.

The Listing Rules prohibit a company from making buy-back on the Stock Exchange if the result of the buy-back would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued Shares would be in public hands. The Directors do not propose to buy-back Shares which would result in less than the prescribed minimum percentage of issued Shares in public hands.

The Company had not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

THE NEW SHARE OPTION SCHEME

This Appendix III summarises the principal terms of the New Share Option Scheme but does not form part of, nor was it intended to be, part of the New Share Option Scheme nor should it be taken as effecting the interpretation of the rules of the New Share Option Scheme.

The purpose of the New Share Option Scheme is to provide incentives or rewards to the Participants for their contribution or potential contribution to, and continuing efforts to promote the interest of, the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group.

(i) Who may join

The Board shall be entitled at any time within the period of ten years after the date on which the conditions set out in the New Share Option Scheme are satisfied to make offers to any Participant, as the Board may in its absolute discretion select, to take up Options to subscribe for Shares at a price calculated in accordance with sub-paragraph (ii) below.

(ii) Subscription price of Shares

The subscription price for Shares in respect of any Options granted under the New Share Option Scheme will be a price determined by the Board, in its absolute discretion, but in any case will not be lower than the higher of (1) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a trading day; and (2) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant. Upon acceptance of the Option, the Grantee shall pay HK\$1.00 to the Company by way of consideration for the grant.

(iii) Grant of Option

No offer for grant of Options shall be made by the Board after inside information has come to the knowledge of the Company until (and including) the trading day after it has announced the information pursuant to the requirements of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the Listing Rules. In particular, during the period of one month immediately before the earlier of (1) the date of the board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (2) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcement, no Option should be granted.

The Board may not grant any Option to a Participant who is a director of the Company during the periods or times in which directors of the Company are prohibited from dealing in securities of the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

(iv) Maximum number of Shares

- (1) The total number of Shares which may be issued upon exercise of all options which may be granted under the New Share Option Scheme and any other share option schemes of the Company shall not exceed 10% of the total number of Shares in issue on the Adoption Date (the “**Scheme Mandate Limit**”) unless the Company obtains a fresh approval from the Shareholders pursuant to (2) below. Options lapsed in accordance with the terms of the New Share Option Scheme or any other share option schemes of the Company will not be counted for the purpose of calculating whether the Scheme Mandate Limit has been exceeded.
- (2) The Company may seek approval of Shareholders in general meeting to refresh the Scheme Mandate Limit provided that the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval of the refreshment by the Shareholders. All options granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the New Share Option Scheme and any other share option schemes of the Company or exercised options) prior to the approval of such refreshment will not be counted for the purpose of calculating whether the refreshed Scheme Mandate Limit has been exceeded. In seeking the approval, the Company shall send a circular to the Shareholders.
- (3) The Company may grant Options to Participant(s) beyond the Scheme Mandate Limit if the grant of such Options is specifically approved by the Shareholders in general meeting. In seeking such approval, a circular must be sent to the Shareholders containing a generic description of the specified proposed Participants, the number and terms of the Options to be granted, the purpose of granting Options to the proposed Participants with an explanation as to how the terms of Options serve such purpose and the information as required under the Listing Rules from time to time.

Notwithstanding the above, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and not yet exercised under the New Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of Shares in issue from time to time.

No Participant shall be granted an Option if the total number of Shares issued and to be issued upon exercise of all Options granted and to be granted (including both exercised and outstanding Options) in any 12-month period up to the date of the proposed grant to such Participant would exceed 1% of the total number of Shares in issue unless the proposed grant has been separately approved by the Shareholders in general meeting with the proposed Participant and his close associates (or his associates if the Participant is a connected person) abstaining from voting. A circular must be sent to the Shareholders disclosing the identity of the proposed Participant and the number and terms of the Options granted and to be granted. The number and terms of Options to be granted to such proposed Participant must be fixed

before the Shareholders' approval and the date of meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

Any grant of Option to the Directors, chief executive or substantial Shareholders (as defined in the Listing Rules) or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of the Options) and shall comply with the requirements of Rule 17.04 of the Listing Rules.

Where any grant of Option is made to a substantial Shareholder (as defined in the Listing Rules) or an independent non-executive Director or any of their respective associates and the proposed grant of Option, when aggregated with the Options already granted and to be granted (including exercised, cancelled and outstanding Options) to such person(s) in the 12-month period up to and including the date of such grant, would entitle such person(s) to subscribe for over 0.1% of the total number of Shares in issue and having an aggregate value in excess of HK\$5,000,000 based on the closing price of the Shares on the date of each grant, then the proposed grant of Option must be subject to approval by Shareholders in accordance with the requirements of the Listing Rules. A circular must be prepared by the Company explaining the proposed grant of Options and disclosing the number and terms of the Options proposed to be granted. All core connected persons of the Company must abstain from voting in favour at such general meeting. The Shareholders' approval as described above will also be required for any change in the terms of any Options granted to a substantial Shareholder or an independent non-executive Director or any of their respective associates.

(v) Time of exercise of Option

An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period as the Board may in its absolute discretion determine which shall not be more than 10 years from the date of grant of the Option and subject to the provisions of early termination thereof and the Board may provide restrictions on the exercise of an Option.

(vi) Rights are personal to Grantee

An Option shall be personal to the Grantee and shall not be transferable or assignable and no Grantee shall sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall entitle the Company to cancel any outstanding Options or any part thereof granted to such Grantee.

(vii) Rights on ceasing employment

In the event of the Grantee, being an Eligible Employee on the date of grant, ceasing to be an Eligible Employee for any reason, other than death or the termination of employment on any of the grounds referred to in (ix) below, the Grantee may exercise the Option up to his entitlement at the date of cessation (to the extent which has become exercisable and not already exercised) within the period of one (1) month following the date of such cessation, which date shall be the last actual working day with the Company or the relevant Subsidiary

whether salary is paid in lieu of notice or not, or such longer period following the date of cessation as the Board may determine (provided that the retirement of director(s) of the Group at an annual general meeting of such member who is/are re-elected at the same meeting shall not be regarded as ceasing employment for the purpose of this paragraph).

(viii) Rights on death

In the event of the death of the Grantee and provided that in the event the Grantee being an Eligible Employee on the date of grant, none of the events which would be a ground for termination of employment referred to in (ix) below arises prior to the death, the legal personal representative(s) of the Grantee shall be entitled within a period of 12 months from the date of death to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent which has become exercisable and not already exercised).

(ix) Rights on dismissal

In the event the Grantee, being an Eligible Employee on the date of grant, ceases to be an Eligible Employee by reason of termination of employment on the grounds that he has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the Grantee's service contract with the Company or the relevant Subsidiary, his Option shall lapse automatically (to the extent not already exercised) on the date on which the Grantee ceases to be an Eligible Employee.

(x) Effect of alterations to capital

In the event of any alteration in the capital structure of the Company while any Option remains exercisable whether by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of capital of the Company (other than an issue of Shares as consideration in respect of a transaction), such corresponding alterations (if any) shall be made in:

- (a) the number of Shares subject to the Option so far as such Option remains unexercised; and/or
- (b) the subscription price;

as the Company's independent financial adviser or auditors shall certify in writing to the Board to be in their opinion fair and reasonable, provided that any such alterations shall satisfy the requirements set forth in Chapter 17 of the Listing Rules (including Rule 17.03(13) of the Listing Rules) and/or the note thereto (including any future amendments or replacement thereof) and FAQ No. 072-2020 and any future guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time and be made on the basis that the Grantee shall have the same proportion of the issued Shares to which he was entitled before such alteration and the aggregate subscription price payable by the Grantee on the full exercise of any Option shall remain as nearly as possible the same as (but not greater than) it was before

such event. In addition, other than any made on a capitalisation issue, the Company's independent financial adviser or auditors must confirm in writing to the Directors that the alteration satisfies the aforesaid requirements.

(xi) Rights on a general offer

If a general offer or partial offer (whether by takeover offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the Grantee shall be entitled to exercise the Option in full (to the extent which has become exercisable and not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

(xii) Rights on winding up

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees and thereupon, each Grantee (or, as the case may be, his legal personal representatives) shall be entitled to exercise all or any of his Options (to the extent which has become exercisable and not already exercised) at any time not later than five (5) business days prior to the proposed general meeting of the Company whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting allot and issue the relevant Shares to the Grantee credited as fully paid.

(xiii) Rights on a compromise or arrangement

In the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its members (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as or soon after it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement, and thereupon any Grantee (or his legal representative(s)) may forthwith and until the expiry of the period commencing from such date and ending on the earlier of the date falling two (2) calendar months thereafter or the date on which such compromise or arrangement is sanctioned by Court, exercise his Option (to the extent which has become exercisable and not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. The Company may thereafter require such Grantee to transfer or otherwise deal with the Shares issued as a result of such exercise of his Option so as to place the Grantee in the same position as nearly as possible as would have been the case had such Shares been subject to such compromise or arrangement.

(xiv) Lapse of Option

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (1) the expiry of the Option period;
- (2) the date on which the Grantee commits a breach of (vi) above;
- (3) the expiry of any of the periods referred to in (vii) and (viii) above;
- (4) the date on which the offer (or, as the case may be revised offer) referred to (xi) above closes;
- (5) subject to (xii) above, the date of commencement of the winding-up of the Company;
- (6) subject to the proposed compromise or arrangement becoming effective, the expiry of the period referred to in (xiii) above;
- (7) the date on which the Grantee ceasing to be an Eligible Employee by reason of (ix) above;
- (8) the date on which the Board shall at its absolute discretion determine that the Grantee (other than an Eligible Employee) or his associate has committed any breach of contract entered into between the Grantee or his associate and the Group;
or
- (9) the date on which the Options are cancelled in accordance with (xviii) below.

(xv) Ranking of Shares

The Options do not carry any right to vote in general meeting of the Company, or any right, dividend, transfer or any other rights, including those arising on the liquidation of the Company. The Shares to be allotted and issued upon the exercise of an Option will be subject to all provisions of the articles of association of the Company and the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the time being in force and will rank *pari passu* in all respects with the Shares in issue on the date when the name of the Grantee is registered on the register of members of the Company and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after such date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before such date.

(xvi) Duration and termination of the New Share Option Scheme

The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Option will be granted but the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of Options (to the extent not already exercised) granted prior to such termination.

Subject to the aforesaid, the New Share Option Scheme shall be valid and effective for a period of 10 years commencing from the date on which the New Share Option Scheme becomes effective, after which period no further Options will be granted.

(xvii) Alterations to the New Share Option Scheme

The New Share Option Scheme may be altered in any respect by resolution of the Board except that alterations to the provisions of the New Share Option Scheme relating to (1) matters set out in Rule 17.03 of the Listing Rules to the advantage of Grantees or prospective Grantees; (2) the terms and conditions of the New Share Option Scheme which are of a material nature or the terms of the Options granted (except where such alterations take effect automatically under the existing terms of the New Share Option Scheme); (3) the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme, must be approved by Shareholders in general meeting. Any amended terms of the New Share Option Scheme or the Options granted thereafter must comply with relevant requirements of Chapter 17 of the Listing Rules.

(xviii) Cancellation of Options granted

Any cancellation of Options granted but not exercised must be approved by the Board. Where any Option is cancelled and new Options are to be issued to the same Participant, the issue of such new Options may only be made under the New Share Option Scheme with available unissued Options (excluding the cancelled Options) within the limit approved by Shareholders as set out in (iv) above.

(xix) Performance target

There is no performance target that must be achieved before the Options can be exercised.

(xx) Conditions of the New Share Option Scheme

The New Share Option Scheme is conditional upon:

- (1) the passing of an ordinary resolution approving, inter alia, the adoption of the New Share Option Scheme by the Shareholders and authorising the Board to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme; and

APPENDIX III PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

- (2) the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be allotted and issued pursuant to the exercise of the Options under the New Share Option Scheme.

DOCUMENTS FOR INSPECTION

The full terms of the New Share Option Scheme can be inspected at Suites 601–603, 6/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong from the date of this circular up to 6 August 2021 and at Unit 1506, 15/F, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong from 7 August 2021 up to and including the date of the 2021 Annual General Meeting and at the 2021 Annual General Meeting.



EVERCHINA INT'L HOLDINGS COMPANY LIMITED

潤中國際控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

NOTICE IS HEREBY GIVEN that an annual general meeting of EverChina Int'l Holdings Company Limited (the “**Company**”) will be held at Unit 1506, 15/F., Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong at 10:50 a.m. on Friday, 3 September 2021 (or an adjournment thereof) for the following purposes:

1. To receive, consider and adopt the audited financial statements and the reports of the directors and auditors for the year ended 31 March 2021;
2. To re-elect directors who offer themselves for re-election and to authorise the board of directors to fix their remuneration;
3. To re-appoint HLB Hodgson Impey Cheng Limited as the auditors of the Company and to authorise the board of directors to fix their remuneration;
4. To consider and, if thought fit, passing with or without modification, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

(1) “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with additional shares of the Company (the “**Shares**”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements or options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

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- (c) the aggregate number of Shares allotted, issued or dealt with, or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversion under the terms of any options, warrants or similar rights granted by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of any option granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible person of Shares or right to acquire Shares;
 - (iv) any scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company from time to time;

shall not exceed 20% of the total number of issued Shares as at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose 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 to be held by law or by the articles of association of the Company; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting;

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“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register of members on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

(2) “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy-back the Shares on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Buy-backs, and subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be bought back pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of the issued Shares as at the date of passing of this Resolution and the said approval shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purpose 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 to be held by law or by the articles of association of the Company; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

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- (3) “**THAT** conditional upon the passing of the Resolutions 4(1) and 4(2) as set out in the notice of this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with Shares pursuant to Resolution 4(1) above be and is hereby extended by the addition to the aggregate number of the issued Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of a number representing the aggregate number of the issued Shares bought back by the Company under the authority granted pursuant to Resolution 4(2) above, provided that such extended number shall not exceed 10% of the total number of the issued Shares as at the date of passing of this Resolution.”
- (4) “**THAT**:
- (a) the rules of the new share option scheme of the Company (the “**New Share Option Scheme**”) (a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) be and are hereby approved and adopted as the new share option scheme of the Company subject to the conditions set out therein, and that the Directors be and are hereby authorised to do such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme, notwithstanding that they or any of them may be interested in the same including without limitation to:
- (i) administer the New Share Option Scheme and to grant options to person eligible under the New Share Option Scheme to subscribe for Shares in accordance with the terms of the New Share Option Scheme;
- (ii) modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is/are effected in accordance with the terms of the New Share Option Scheme in relation to modifications and/or amendments and the requirement of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

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- (iii) allot and issue and deal with from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options granted under the New Share Option Scheme provided that the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and other share option scheme(s) shall not exceed 10% of the total number of issued Shares as at the date of passing of this resolution (the “**Scheme Mandate Limit**”), with the acknowledgment that the Company may seek an approval from the shareholders in general meeting to refresh the Scheme Mandate Limit from time to time but provided always that the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and other share option scheme(s) of the Company shall not in aggregate exceed 30% of the total number of issued Shares from time to time; and
- (iv) make application at the appropriate time or times to The Stock Exchange of Hong Kong Limited for the listing of, and permission to deal in, any Shares or any part thereof that may hereafter from time to time be allotted and issued pursuant to the exercise of options granted under the New Share Option Scheme.”

By Order of the Board
EverChina Int’l Holdings Company Limited
Lam Cheung Shing, Richard
Executive Director and Chief Executive Officer

Hong Kong, 28 July 2021

Registered office:
Suites 601–603,
6/F., Everbright Centre,
108 Gloucester Road,
Wanchai,
Hong Kong

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Notes:

1. A shareholder of the Company (“**Shareholder**”) entitled to attend and vote at the 2021 Annual General Meeting (“**2021 AGM**”) may appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a Shareholder.
2. For the purpose of determining Shareholders who are entitled to attend and vote at the 2021 AGM, the register of members of the Company will be closed from Tuesday, 31 August 2021 to Friday, 3 September 2021, both dates inclusive, during which period, no transfer of shares of the Company (“**Share(s)**”) will be registered. To be eligible to attend and vote at the 2021 AGM, all transfer of Shares accompanied by the relevant share certificates must be deposited at the Company’s share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4: 30 p.m. on Monday, 30 August 2021.
3. Where there are joint registered holders of any Share, any one of such persons may vote at the 2021 AGM, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at the 2021 AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the office of the Company’s share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the 2021 AGM.
5. If a typhoon is hoisted or a black rainstorm warning signal is in force at 9:00 a.m. on the date of the 2021 AGM, articles 66 and 68 of the articles of association of the Company shall apply. Pursuant to (i) article 66, if within fifteen minutes from the time appointed for the 2021 AGM a quorum is not present, the 2021 AGM shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the board of directors of the Company; and (ii) article 68, the chairman of the 2021 AGM may, with the consent of the 2021 AGM at which a quorum is present, and shall, if so directed by the 2021 AGM, adjourn the 2021 AGM from time to time and from place to place as the 2021 AGM shall determine. Shareholders are reminded to visit the websites of the Company (www.everchina202.com.hk) and Hong Kong Exchange Clearing Limited (www.hkex.com.hk) for announcement(s) in relation to the aforesaid arrangements.

The 2021 AGM will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the 2021 AGM under bad weather condition bearing in mind their own situations.
6. As at the date of this notice, the board of directors of the Company consists of Mr. Jiang Zhaobai, Mr. Lam Cheung Shing, Richard and Mr. Chen Yi, Ethan (all being executive directors), and Mr. Ho Yiu Yue, Louis, Mr. Ko Ming Tung, Edward and Mr. Ng Ge Bun (all being independent non-executive directors).