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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Styland Holdings Limited, you should at once hand this circular and the enclosed form of proxy to the purchaser(s) or the transferee(s) or to the bank manager, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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**STYLAND HOLDINGS LIMITED**

**大凌集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 211)**

**PROPOSED BONUS ISSUE OF WARRANTS  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

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A notice convening the SGM (as defined herein) of Styland Holdings Limited (the “**Company**”) to be held at Room 1111, 11/F, Wing On Centre, 111 Connaught Road Central, Sheung Wan, Hong Kong at 11:45 a.m. on Friday, 15 September 2023 is set out on pages 29 to 31 of this circular.

Whether or not you intend to attend the SGM, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, but in any event, not later than 48 hours before the time appointed for holding the SGM or the adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

31 August 2023

\* For identification purposes only

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## DEFINITIONS

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

“Board”	the board of Directors
“Bonus Warrant Issue”	the proposed bonus issue of Warrants by the Company to the Qualifying Shareholders on the basis of one (1) Warrant for every five (5) Shares held on the Record Date
“business day(s)”	any day (excluding Saturday, Sunday and public holiday) on which banks generally are open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System operated by HKSCC
“Company”	Styland Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Excluded Shareholder(s)”	Overseas Shareholder(s) whom the Directors are of the view that it would be necessary or expedient to exclude from the Bonus Warrant Issue under the laws of the places of his/her/their registered address(es) or the requirements of the relevant regulatory body or stock exchange in that place
“Exercise Moneys”	in relation to any Warrant(s), the amount stated on the face of the Warrant Certificate(s) issued in respect of such Warrant(s) as the amount in cash which the Warranholder of such Warrant(s) is entitled to subscribe upon the exercise of the subscription rights represented thereby;
“Group”	the Company and its subsidiaries
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	25 August 2023, being the latest practicable date for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

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## DEFINITIONS

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“New Share(s)”	new ordinary share(s) of HK\$0.1 each in the share capital of the Company which may fall to be issued upon exercise of the subscription rights attaching to the Warrants
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company at the close of business on the Record Date is/are outside Hong Kong
“PRC”	the People’s Republic of China
“Qualifying Shareholder(s)”	Shareholder(s) other than the Excluded Shareholder(s) whose name(s) appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	22 September 2023, being the record date for ascertaining the entitlements of Shareholders to the Bonus Warrant Issue
“Register”	the register of Warrantholders of the Company
“Registrar”	Tricor Tengis Limited or such other person, firm or company as for the time being maintains in Hong Kong the register of Warrantholders
“SGM”	the special general meeting of the Company to be convened to approve, amongst other things, the Bonus Warrant Issue
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrant Certificate(s)”	the certificate(s) to be issued in respect of the Warrant(s)
“Warrantholder(s)”	the person or persons who is or are for the time being registered in the registrar as the holder or joint holders of the Warrants
“Warrant(s)”	warrant(s) proposed to be issued by the Company to subscribe for New Share(s) at an initial subscription price of HK\$0.138 per New Share, subject to adjustment
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

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## EXPECTED TIMETABLE

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The expected timetable for implementing the Bonus Warrant Issue is set forth below:

**2023**

Latest time for lodging share transfer documents to qualify for attendance and voting at the SGM .....	4:30 p.m. on Monday, 11 September
Closure of register of members of the Company for the purpose of ascertaining the Shareholders' rights to attend and vote at the SGM .....	Tuesday, 12 September to Friday, 15 September (both days inclusive)
Latest time for lodging proxy forms for the SGM .....	11:45 a.m. on Wednesday, 13 September
Record date for attendance and voting at the SGM .....	Friday, 15 September
SGM .....	11:45 a.m. on Friday, 15 September
Announcement of the results of the SGM. ....	Friday, 15 September
Last day of dealings in Shares cum-entitlements to the Bonus Warrant Issue. ....	Monday, 18 September
First day of dealings in Shares ex-entitlements to the Bonus Warrant Issue. ....	Tuesday, 19 September
Latest time for lodging forms of transfer of Shares to ensure entitlement to the Bonus Warrant Issue. ....	4:30 p.m. on Wednesday, 20 September
Closure of register of members of the Company for the purpose of ascertaining the Shareholders' rights to the Bonus Warrant Issue. ....	Thursday, 21 September to Friday, 22 September (both days inclusive)
Record Date .....	Friday, 22 September
Despatch of the Warrant certificates by .....	Thursday, 5 October
Commencement of dealings in the Warrants .....	9:00 a.m. on Friday, 6 October

*Note:* All times refer to Hong Kong local times.

The expected timetable for the Bonus Warrant Issue set out above is for indicative purposes only and it has been prepared on the assumption that all the conditions of the Bonus Warrant Issue will be fulfilled. The expected timetable is subject to change, and any changes will be announced in a separate announcement by the Company as and when appropriate in compliance with the Listing Rules.

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## LETTER FROM THE BOARD

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### STYLAND HOLDINGS LIMITED

大凌集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

*Executive Directors:*

Mr. Cheung Hoo Win (*Chief Executive Officer*)

Mr. Ng Yiu Chuen

*Independent Non-executive Directors:*

Mr. Li Hancheng (*Non-executive Chairman*)

Mr. Lo Tsz Fung Philip

Ms. Ling Sui Ngor

*Registered Office:*

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

*Head office and principal place  
of business in Hong Kong:*

Room 1111, 11/F

Wing On Centre

111 Connaught Road Central

Sheung Wan

Hong Kong

31 August 2023

*To the Shareholders*

Dear Sir or Madam,

### PROPOSED BONUS ISSUE OF WARRANTS AND NOTICE OF SPECIAL GENERAL MEETING

#### INTRODUCTION

The purpose of this circular is to provide you with further information regarding, among other things, the proposed Bonus Warrant Issue and the notice convening the SGM.

#### PROPOSED BONUS WARRANT ISSUE

It was announced on 18 August 2023 that the Directors proposed, subject to the satisfaction of the conditions set out in the paragraph headed “Conditions to the Bonus Warrant Issue”, to make the Bonus Warrant Issue to the Qualifying Shareholders on the basis of one (1) Warrant for every five (5) Shares held on the Record Date.

\* For identification purposes only

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## LETTER FROM THE BOARD

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### Subscription Price and Subscription Period

The Warrants will be issued in registered form and each Warrant will entitle the holder thereof to subscribe in cash for one (1) New Share at an initial subscription price of HK\$0.138, subject to customary anti-dilutive adjustments in market transactions of this type in certain events, including, among other things, share consolidations, share subdivisions, capitalisation issues and capital distributions, at any time during the period which is expected to commence on the date of the issue of the Warrants and end on the date falling 12 months from the date of issue of the Warrants, which are expected to be from 5 October 2023 to 4 October 2024 (both days inclusive).

The initial subscription price of HK\$0.138 represents:

- (i) a discount of approximately 30.3% to the closing price of HK\$0.198 per Share as quoted on the Stock Exchange on 18 August 2023;
- (ii) a discount of approximately 32.7% to the average closing price of approximately HK\$0.205 per Share as quoted on the Stock Exchange for the past five trading days ended on 18 August 2023;
- (iii) a discount of approximately 35.5% to the average closing price of approximately HK\$0.214 per Share as quoted on the Stock Exchange for the past ten trading days ended on 18 August 2023; and
- (iv) a discount of approximately 31% to the closing price of HK\$0.200 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

The initial subscription price was determined by taking into account (i) the prevailing market price of the Shares prior to the date of announcement in relation to the proposed Bonus Warrant Issue; (ii) the prevailing market conditions and (iii) the financial position of the Group. In order to enhance the attractiveness of the Bonus Warrant Issue, issuance of new shares by way of bonus warrant at a discount to the then market price has been commonly adopted by listed issuers in Hong Kong to encourage warrant holders to exercise the warrants. In view of the then market conditions, including the then closing prices and liquidity of Shares, the initial subscription price set at a discount to the market price was considered necessary and appropriate to attract Warrantheolders to exercise the Warrants. Given that (i) the Bonus Warrant Issue are offered to all Shareholders and each Warrant holder is entitled to exercise the Warrant at the same price in proportion to their respective shareholdings in the Company held on the Record Date; (ii) the initial subscription price is at a discount to the recent closing prices of the Shares with a view to encouraging the Warrantheolders to exercise the Warrants; and (iii) the proceeds from the Bonus Warrant Issue may provide the Group with funds towards general working capital of the Group, the Directors consider the initial subscription price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### Shares to be Issued upon Exercise of the Warrants

On the basis of 709,315,013 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased by the Company on or before the Record Date, 141,863,002 Warrants would be issued pursuant to the Bonus Warrant Issue and are not renounceable. Full exercise of the subscription rights attaching to the 141,863,002 Warrants would result in the issue of 141,863,002 New Shares, representing approximately 20% of the issued ordinary share capital of the Company as at the Latest Practicable Date and approximately 16.67% of the issued share capital of the Company as enlarged by the issue of such New Shares. Based on the initial subscription price of HK\$0.138 per New Share, the Company would receive subscription monies totaling up to approximately HK\$19.58 million. As at the Latest Practicable Date, the Company is not aware of any intention of the Shareholders (including the controlling shareholder of the Company) to exercise the subscription rights attaching to the Warrants.

As at the Latest Practicable Date, the Company did not have any derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

### Shareholding structure of the Company

The table below sets out the shareholding structure of the Company as at the Latest Practicable Date, and the effect on the shareholding structure of the Company upon exercise of the subscription rights attaching to the Warrants:

	At the Latest Practicable Date		Assuming full exercise of the subscription rights attaching to the Warrants by the Shareholders and there are no other changes in the share capital of the Company from the Latest Practicable Date		Assuming no exercise of the subscription rights attaching to the Warrants by any Shareholder (other than Kenvonion and its shareholders) and there are no other changes in the share capital of the Company from the Latest Practicable Date	
	Number of Shares	Approximate % of issued Shares (Note 2)	Number of Shares	Approximate % of issued Shares (Note 2)	Number of Shares	Approximate % of issued Shares (Note 2)
Kenvonion Family Limited ("Kenvonion") (Note 1)	389,799,559	54.96	467,759,471	54.96	467,759,471	58.83
Mr. Cheung Hoo Yin (Note 1)	38,816,381	5.47	46,579,657	5.47	46,579,657	5.86
Kenvonion and its shareholders	428,615,940	60.43	514,339,128	60.43	514,339,128	64.69
Public Shareholders	280,699,073	39.57	336,838,887	39.57	280,699,073	35.31
<b>Total</b>	<b>709,315,013</b>	<b>100.00</b>	<b>851,178,015</b>	<b>100.00</b>	<b>795,038,201</b>	<b>100.00</b>



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## LETTER FROM THE BOARD

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*Notes:*

- 1. The 389,799,559 Shares are held by Kenvonia which is owned as to approximately 33.33% by each of Mr. Cheung Hoo Win, Ms. Cheung Lok Chi and Mr. Cheung Hoo Yin. By virtue of the Securities and Futures Ordinance, Mr. Cheung Hoo Win, Ms. Cheung Lok Chi and Mr. Cheung Hoo Yin are deemed to be interested in the Shares held by Kenvonia. In addition to the interest in Kenvonia, Mr. Cheung Hoo Yin personally held 38,816,381 Shares.*
- 2. The percentages are subject to rounding difference, if any.*

### **Fractional entitlements**

Fractional entitlements to the Warrants (if any) will not be issued to the Shareholders but will be aggregated and sold for the benefit of the Company. The net proceeds of sale will be retained for the benefit of the Company.

### **Overseas Shareholders**

Based on the register of members of the Company as at the Latest Practicable Date, there were 17 Shareholders who resided in the Macau Special Administrative Region of the PRC, Canada, the PRC, Malaysia, Australia, Taiwan and the United States of America (“USA”) respectively. The Directors have made enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange of the relevant place in which such Overseas Shareholder is residing. The Directors, after making such enquiries, are of the view that (i) the issue of the Warrants will be extended to the Overseas Shareholders with registered addresses in Macau Special Administrative Region of the PRC, Taiwan, the PRC, Malaysia and Australia; and (ii) in respect of the Overseas Shareholders whose registered addresses are in Canada and USA, it would be necessary or expedient to exclude the Overseas Shareholders with registered addresses in these two places from the Bonus Warrant Issue due to the time and cost involved in complying with the relevant local legal, regulatory requirements and formalities, such as applying exemption from registration or prospectus requirements.

In view of the above, Warrants which would otherwise be issued to such Excluded Shareholder(s) under the Bonus Warrant Issue will be sold in the market as soon as possible if a premium, net of expenses, can be obtained. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to such Overseas Shareholder(s). Remittance thereof will be posted to such Overseas Shareholder(s) at his/her/its own risk, unless the amount falling to be distributed to such person is less than HK\$100, in which case it will be retained for the benefit of the Company.

### **Conditions to the Bonus Warrant Issue**

The Bonus Warrant Issue will be conditional upon, among other things, the following conditions:

- (a) the passing by the Shareholders at the SGM of the necessary resolution(s) to approve the issue of the Warrants and any New Shares and any transactions contemplated thereunder; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and any New Shares.

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## LETTER FROM THE BOARD

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### **Reasons for the Bonus Warrant Issue**

The Company is an investment holding company. The principal activities of the Group consist of investment holdings, financial services, mortgage financing, insurance brokerage, securities trading, and property development and investment. The Board, after considering the financial performance of the Group for the year ended 31 March 2023, considered that distributions shall be made to the Shareholders in their continuous support to the Company. The Board has also considered payment of cash dividend only to the Shareholders. However, after taking into account of the current economic environment, the Board considered that it will be for the best interest of the Company and the Shareholders as a whole that the Company should preserve the cash position of the Group for its operations and future development. Accordingly, in recognition of the Shareholders' continuous support to the Company, the Board proposes the Bonus Warrant Issue.

The Board has also considered the bonus issue of Shares. After considering the features of the Warrants that would provide the Shareholders with an opportunity to capture the potential gain along with the growth of the Company upon exercising the subscription rights attaching to the Warrants, the Shareholders who do not wish to participate in such fund raising of the Company can dispose of their Warrants in the market, and that the Bonus Warrant Issue will also strengthen the equity base of the Company, and increase the Company's general working capital for its operations and future development if and when the subscription rights attaching to the Warrants are exercised by the Shareholders or the transferee(s) of the Warrants, the Board considered that the Bonus Warrant Issue is in the interests of the Company and the Shareholders as a whole.

In addition, as the Warrants will be exercisable at any time during the subscription period which lasts for a year and the listing of the Warrants would enable the Shareholders to realise the value of the Warrants during its term, the Board considers that the Bonus Warrant Issue would afford the Shareholders with more flexibility in managing their own investment portfolios under different market conditions.

The Company intends to apply any subscription monies received as and when subscription rights are exercised for the general working capital of the Group, including administrative expenses, and financing or funding principal activities of the Group.

The Directors are of the view that although the amount of capital to be raised and timing of raising the proceeds through the Bonus Warrant Issue during the subscription period of the Warrants are uncertain, it is preferred to finance the Group's long-term growth by long-term financing in the form of equity which will not incur finance costs and enable the Group to maintain a strong cash position for the business of the Group. However, in the event that the subscription rights attaching to the Warrants are not fully exercised, the Group will utilise the proceeds in proportion towards general working capital of the Group. Nevertheless, it is expected that the Group's long-term business plans will be carried out in a flexible manner based on the available resources at the relevant time.

The Directors have considered factors including the timing of the funding needs, the amount of the fund needed and the possible dilution effect on the shareholding interests of the Shareholders and explored other alternative means of fund raising, including (i) debt financing/bank borrowings; (ii) placing of new Shares; and (iii) rights issue but were not adopted for the reasons set out below.

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## LETTER FROM THE BOARD

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(i) *Debt financing/bank borrowings*

With respect to debt financing, taking into consideration that debt financing will involve recurring interest expense and increase the gearing ratio of the Group, it is not considered as desirable to fund the entire amount of funds needed for working capital and expansion by way of debt financing. In comparison, the equity raised through the Bonus Warrant Issue would not be interest-bearing and hence the Company would have savings in interest payable when compared with incurring interest costs arising from debt financing. Therefore, the Bonus Warrant Issue when compared with debt financing would allow the Company to strengthen its capital base and liquidity without incurring interest costs.

(ii) *Placing of new Shares*

The Directors are of the view that raising funds by way of placing of new Shares would result in dilution of the equity interests of the existing Shareholders who cannot participate in the placing.

(iii) *Rights issue*

The Directors are of the view that though both Bonus Warrant Issue and the rights issue will allow the Shareholders to (i) maintain their respective pro-rata shareholding by exercising the subscription rights attaching to the Warrants or through their participation in rights issue; (ii) increase their respective interests in the shareholding of the Company by acquiring additional Warrants or rights entitlement in the open market (subject to the availability); and (iii) reduce their respective interests in the shareholding of the Company by disposing of their Warrants or rights entitlement in the open market (subject to the market demand), the Bonus Warrant Issue provides more flexibility to the Shareholders, allowing the Shareholders to exercise the subscription rights attaching to the Warrants at any time within the one-year subscription period at the discretion of the Shareholders while the rights issue cannot.

After taking into account all of the above factors and considerations, the Directors are of the view that the Bonus Warrant Issue can (i) offer equal opportunity to all Shareholders to subscribe for their pro-rata provisional Shares and hence avoids dilution; (ii) offer an opportunity to Shareholders to participate in the growth of the Company; (iii) allow the Shareholders to capture the potential capital gain; and (iv) strengthen the equity base of the Company and increase the Company's general working capital, if and when the subscription rights attaching to the Warrants are exercised.

### **FUND RAISING ACTIVITIES OF THE GROUP IN THE PAST TWELVE MONTHS**

The Company has not conducted any fund raising activities by issue or possible issue of equity securities in the past twelve months immediately preceding the Latest Practicable Date. As at the Latest Practicable Date, the Company has no intention to conduct any other equity funding activities.

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## LETTER FROM THE BOARD

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### **Listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and the New Shares. The New Shares will rank pari passu in all respects with the then existing issued Shares. No part of the securities or debt securities of the Company is listed or dealt in on any other stock exchange and no such listing or permission to deal is being or proposed to be sought.

Application will also be made to HKSCC for the admission of the Warrants into CCASS operated by HKSCC.

All necessary arrangements will be made by the Company to enable the Warrants to be admitted into CCASS. Subject to the granting of listing of, and permission to deal in, the Warrants and the New Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Warrants and the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Warrants on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

### **Certificates for the Warrants and Board Lot**

Subject to the satisfaction of the conditions to the Bonus Warrant Issue, it is expected that certificates for the Warrants will be posted on or before 5 October 2023 at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company.

Dealings in the Warrants are expected to commence on the Stock Exchange on 6 October 2023.

The Warrants are expected to be traded on the Stock Exchange in board lots of 20,000 Warrants carrying rights to subscribe for 20,000 New Shares at the initial subscription price of HK\$0.138 per New Share (subject to adjustment).

### **Closure of Register of Members**

The register of members of the Company will be closed from 21 September 2023 to 22 September 2023 (both days inclusive) in order to establish entitlements of the Shareholders to the Bonus Warrant Issue.

The last day for dealing in Shares cum-entitlements to the Bonus Warrant Issue will be 18 September 2023. In order to qualify for the Bonus Warrant Issue, all transfer documents accompanied by the relevant share certificates and subscription monies must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 20 September 2023.

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## LETTER FROM THE BOARD

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### **Taxation**

The Shareholders are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of accepting and dealing in the Warrants. It is emphasised that none of the Company, the Directors or any parties involved in the Bonus Warrant Issue accepts responsibility for any tax effects or liabilities or any other liabilities of the Warrantholders resulting from accepting and dealing in the Warrants.

### **SPECIAL GENERAL MEETING**

A notice convening the SGM is set out on pages 29 to 31 of this circular. The SGM will be convened for the purpose of considering and, if thought fit, passing the resolution(s) to approve the proposed Bonus Warrant Issue.

As at the Latest Practicable Date, and to the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the proposed resolution(s) at the SGM.

A form of proxy for use by the Shareholders at the SGM is enclosed. Whether or not you intend to attend the SGM, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, but in any event, not later than 48 hours before the time appointed for holding the SGM or the adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

### **RECOMMENDATIONS**

The Board is of the view that issue of the Warrants at the time of listing under the Bonus Warrant Issue would be able to meet the minimum market capitalisation of the Warrants under Rule 8.09(4) of the Listing Rules. The Board is of the opinion that the proposed Bonus Warrant Issue is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution(s) to be proposed at the SGM.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

Your attention is also drawn to the information set out in the appendix to this circular.

By order of the Board  
**Styland Holdings Limited**  
**Li Hancheng**  
*Non-executive Chairman*

The Warrants will be issued subject to and with benefit of an instrument by way of deed poll (the “**Instrument**”) and they will be issued in registered form and will form one class and rank pari passu in all respects with each other.

The principal terms and conditions of the Warrants will be set out in the Warrant Certificates and will include provisions to the effect set out below. Warrantholders will be entitled to the benefit of, be bound by, and be deemed to have notice of all such terms and conditions of the Instrument, copies of which will be available at the principal place of business for the time being of the Company in Hong Kong.

## 1. EXERCISE OF SUBSCRIPTION RIGHTS

- (A) The registered holder for the time being of a Warrant will have the rights (the “**Subscription Rights**”) for each unit of the Warrants to subscribe in cash the whole or part (in integral multiples of HK\$0.138) of the amount in respect of which the Warrant is issued for fully paid new Shares at an initial subscription price of HK\$0.138 per Share (subject to the adjustments referred to below) (the “**Subscription Price**”). The Subscription Rights attaching to the Warrants may be exercised during the subscription period being the period of 12 months from the date of issue of the Warrants which is expected to be 5 October 2023 (the “**Subscription Period**”). The business day falling during the Subscription Period on which any of the Subscription Rights are duly exercised is referred to in this summary as a “Subscription Date”. Any Subscription Rights which have not been exercised during the Subscription Period will lapse and the relevant Warrant Certificates will cease to be valid for any purpose. Reference in this summary to “Shares” are to the existing Shares of the Company and all other (if any) Shares from time to time and for the time being ranking pari passu therewith.
- (B) Each Warrant Certificate will contain a subscription form. In order to exercise his Subscription Rights, a Warrantholder must complete and sign the subscription form (which shall, once signed and completed, be irrevocable) and deliver the Warrant Certificate (and, if the subscription form used is not the form endorsed on the Warrant Certificate, the separate subscription form) to the Registrar, together with a remittance for the relevant subscription monies (or in a case of a partial exercise, the relevant portion of the subscription monies), for the new Shares in respect of which the Subscription Rights are being exercised. In each case compliance must also be made with any exchange control, fiscal or other laws or regulations for the time being applicable.
- (C) No fraction of a Share will be allotted but any balance representing fractions of the subscription monies paid on the exercise of the Subscription Rights will be refunded to the person or persons whose name(s) stand(s) in the register of Warrantholders as the holder(s) of the relevant Warrant, provided always that if the Subscription Rights comprised in two or more Warrant Certificates are exercised at the same time by the same Warrantholder then, for the purpose of determining whether any (and if so, what) fraction of a Share arises, the Subscription Rights represented by such Warrant Certificates shall be aggregated.

- (D) The Company undertakes in the Instrument that Shares falling to be issued upon the exercise of the Subscription Rights will be issued and allotted, subject to any shorter period as prescribed or required by the Stock Exchange from time to time, not later than 28 days after the relevant Subscription Date and will rank pari passu with the fully-paid Shares in issue on the relevant Subscription Date and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made on or after the relevant Subscription Date and other than any dividend or other distributions previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the relevant Subscription Date and notice of the amount and record date for which shall have been given to the Stock Exchange prior to the relevant Subscription Date.
- (E) As soon as practicable after the relevant allotment of Shares (and, subject to any shorter period as prescribed by the Stock Exchange from time to time, not later than 28 days after the relevant Subscription Date) there will be issued free of charge to the Warrantholder:
- (i) a certificate (or certificates) for the relevant Shares in the name of such Warrantholder;
  - (ii) (if applicable) a balance Warrant Certificate in registered form in the name of such Warrantholder in respect of any Subscription Rights remaining unexercised; and
  - (iii) (if applicable) a refund cheque representing the fractional entitlement to Shares not allotted as mentioned in sub-paragraph (C) above.

The certificate(s) for Shares arising on the exercise of Subscription Rights, the balance Warrant Certificate (if any) and the refund cheque in respect of the fractional entitlements (if any) will be sent by post at the risk of such Warrantholder to the address of such Warrantholder or (in the case of a joint holding) to that one of them whose name stands first in the Register. If the Company agrees, such certificates and cheques may by prior arrangement be retained by the Registrar to await collection by the relevant Warrantholder.



## 2. ADJUSTMENTS OF SUBSCRIPTION PRICE

The Instrument contains detailed provisions relating to the adjustment of the Subscription Price. The following is a summary of, and is subject to, the adjustment provisions of the Instrument which are exhaustive:

- (A) The Subscription Price shall (except as mentioned in sub-paragraphs (B) and (C) below) be adjusted as provided in the Instrument in each of the following cases:

(i) **Alteration to nominal value**

If and whenever the Shares by reason of any consolidation or sub-division shall be denominated in a nominal amount different from that applicable immediately prior to such consolidation or sub-division, the Subscription Price in force immediately prior thereto shall be adjusted by multiplying it by the following fraction:

$$\frac{X}{Y}$$

where:

X = the revised nominal amount of one Share; and

Y = the former nominal amount of one Share.

Each such adjustment shall be effective from the close of business in Hong Kong on the business day (“**effective business day**”) immediately preceding the date on which the consolidation or sub-division becomes effective provided that where the subscription date in respect of a particular exercise of any of the subscription rights attaching to a Warrant shall fall on or before the effective business day but the Company shall not by the close of business on the effective business day have allotted the relative Shares in accordance with its obligations hereunder, such adjustment shall, for the purpose of determining the number of Shares to be allotted to the Warrantholder exercising the said Subscription Rights, be deemed to be effective immediately before such Subscription Date.

**(ii) Bonus issue**

If and whenever the Company shall issue (other than in lieu of a cash dividend) any Shares credited as fully-paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund) the Subscription Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$\frac{N}{N + I}$$

where:

N = the aggregate nominal amount of the issued Shares immediately before such issue; and

I = the aggregate nominal amount of the ordinary capital issued in such capitalisation,

provided that if the relevant issue of Shares is made as part of an arrangement involving a reduction of capital of the Company, the Subscription Price shall be adjusted in such manner as an approved merchant bank or the auditors (at the option of the Company) shall certify to be appropriate, having regard to the relative interests of the persons affected thereby and such other matters as the approved merchant bank or the auditors (as the case may be) shall consider relevant.

Each such adjustment shall be effective (if appropriate retrospectively) from the commencement of the day immediately following the record date for such issue.

**(iii) Capital distribution**

If and whenever the Company shall make any capital distribution to holders (in their capacity as such) of Shares (whether on a reduction of capital or otherwise) or shall grant to such holders rights to acquire for cash assets of the Company or any of its subsidiaries, the Subscription Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

$$\frac{A - B}{A}$$

where:

A = the closing price of one Share on the Stock Exchange dealing day immediately preceding the date on which the capital distribution or, as the case may be, the grant is publicly announced or (failing any such announcement) immediately preceding the date of the capital distribution or, as the case may be, of the grant; and

B = the fair market value on the day of such announcement or (failing any such announcement) the day immediately preceding the date of the capital distribution or, as the case may be, the grant, as determined in good faith by either an approved merchant bank or the auditors (at the option of the Company), of the portion of the capital distribution or of such rights which is attributable to one Share,

provided that:

- (a) if in the opinion of the relevant approved merchant bank or the auditors (as the case may be), the use of the fair market value as aforesaid produces a result which is significantly inequitable, it may instead determine (and in such event the above formula shall be construed as if B meant) the amount of the said closing price which should, in its opinion, properly be attributed to the value of the capital distribution or rights; and
- (b) the provisions of this paragraph (iii) shall not apply in relation to the issue of Shares credited as fully-paid or partly paid out of profits or reserves and issued in lieu of a cash dividend nor to a purchase by the Company of Shares in accordance with the provisions of the Companies Act and the rules from time to time of the Stock Exchange.

Each such adjustment shall be effective (if appropriate retrospectively) from the commencement of the day immediately following the record date for the capital distribution or grant.

**(iv) Rights and options or warrants to subscribe for new Shares to all Shareholders**

If and whenever the Company shall offer to holders of Shares new Shares for subscription by way of rights, or shall grant to holders of Shares any options or warrants to subscribe for new Shares, at a price which is less than 90 per cent. of the market price at the date of the announcement of the terms of the offer or grant, the Subscription Price shall be adjusted by multiplying the Subscription Price in force immediately before the date of the announcement of such offer or grant by the following fraction:

$$\frac{S + T}{S + U}$$

where:

S = the number of Shares in issue immediately before the date of such announcement;

T = the number of Shares which would be purchased at such market price by the aggregate of (a) the amount (if any) payable for the rights, options or warrants, and, (b) the total amount payable for all of the new Shares comprised therein; and

U = the aggregate number of Shares being offered for subscription or comprised in the options or warrants being granted.

Such adjustment to become effective (if appropriate retrospectively) from the commencement of the day immediately following the record date for the offer or grant provided that no adjustment shall take effect in accordance with this clause should such offer or grant fail to become effective.

**(v) Issue for cash of securities convertible into or exchangeable for or carrying rights of subscription for new Shares**

(a) If and whenever the Company or any other company shall issue wholly for cash any securities which by their terms are convertible into or exchangeable for or carry rights of subscription for new Shares, and the total Effective Consideration (as defined below in this paragraph (V)) per Share initially receivable for such securities is less than 90 per cent. of the market price at the date of the announcement of the terms of issue of such securities, the Subscription Price shall be adjusted by multiplying the Subscription Price in force immediately prior to the issue by the following fraction:

$$\frac{P + Q}{P + R}$$

where:

P = the number of Shares in issue immediately before the date of such issue of securities;

Q = the number of Shares which would be purchased at such market price by the total Effective Consideration receivable for such securities issued; and

R = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities at their relative initial conversion or exchange rate or subscription price.

Such adjustment shall become effective (if appropriate retrospectively) from the close of business in Hong Kong on the business day immediately preceding whichever is the earlier of the date on which the issue is announced and the date on which the issuer determines the conversion or exchange rate or subscription price.

- (b) If and whenever the rights of conversion or exchange or subscription attached to any such securities as are mentioned in sub-paragraph (a) of this paragraph (V) are modified so that the total Effective Consideration per Share initially receivable for such securities shall be less than 90 per cent. of the market price at the date of announcement of the proposal to modify such rights of conversion or exchange or subscription, the Subscription Price shall be adjusted by multiplying the Subscription Price in force immediately prior to such modification by the following fraction:

$$\frac{L + M}{L + O}$$

where:

- L = the number of Shares in issue immediately before the date of such modification;
- M = the number of Shares which would be purchased at such market price by the total Effective Consideration receivable for such securities issued at the modified conversion or exchange rate or subscription price; and
- O = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities at their relative modified conversion or exchange rate or subscription price.

Such adjustment shall become effective as at the date upon which such modification shall take effect. A right of conversion or exchange or subscription shall not be treated as modified for the foregoing purposes where it is adjusted to take account of rights or capitalisation issues and other events normally giving rise to adjustment of conversion, exchange or subscription terms.

For the purposes of this paragraph (V), the “**total Effective Consideration**” receivable for the securities issued shall be deemed to be the aggregate consideration receivable by the issuer for any such securities plus the additional minimum consideration (if any) to be received by the issuer and/or the Company (if not the issuer) upon (and assuming) the full conversion or exchange thereof or the exercise in full of such subscription rights, and the “**Effective Consideration per Share initially receivable for such securities**” shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange rate or the exercise in full of such subscription rights at the initial subscription price, in each case without any deduction for any commissions, discounts or expenses paid, allowed or incurred in connection with the issue.

**(vi) Issue for cash of Shares**

If and whenever the Company shall issue wholly for cash any Shares (other than Shares issued to directors or employees of the Company or any of its subsidiaries or their personal representatives pursuant to any share option scheme adopted by the Company) at a price per Share which is less than 90 per cent. of the market price current at the date of the announcement of the terms of such issue, the subscription price shall be adjusted by multiplying the subscription price in force immediately before the date of such announcement by the following fraction:

$$\frac{H + J}{H + K}$$

where:

H = the number of Shares in issue immediately before the date of such announcement;

J = the number of Shares which would be purchased at such market price by the aggregate amount payable for such issue; and

K = the number of Shares issued under such issue.

Such adjustment shall become effective on the date of the issue.

**(vii) Other events**

If and whenever the Company shall purchase any Shares or securities convertible into Shares or any rights to acquire Shares (excluding any such purchases made on the Stock Exchange, or any recognised stock exchange, being a stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange) and the Directors consider that it may be appropriate to make an adjustment to the Subscription Price, at that time the directors of the Company shall appoint an approved merchant bank or the auditors (at the option of the Company) to consider whether, for any reason whatever as a result of such purchases, an adjustment should be made to the Subscription Price fairly and appropriately to reflect the relative interests of the persons affected by such purchases by the Company and, if such approved merchant bank or the auditors (as the case may be) shall consider in its opinion that it is appropriate to make an adjustment to the Subscription Price, an adjustment to the Subscription Price shall be made in such manner as such approved merchant bank or the auditors (as the case may be) shall certify to be, in its opinion, appropriate. Such adjustment shall become effective (if appropriate retrospectively) from the close of business in Hong Kong on the business day immediately preceding the date on which such purchases by the Company are made.

- (B) Except as mentioned in sub-paragraph (C) below, no such adjustment as is referred to in sub-paragraphs (ii) to (vii) of sub-paragraph (A) above shall be made in respect of:
- (i) an issue of fully paid Shares upon the exercise of any conversion rights attached to securities convertible into Shares or upon the exercise of any rights (including the Subscription Rights) to acquire Shares;
  - (ii) an issue of Shares or other securities of the Company or any of its subsidiaries wholly or partly convertible into, or rights to acquire, Shares to directors or employees of the Company or any of its subsidiaries pursuant to a share option scheme adopted by the Company;
  - (iii) an issue by the Company of Shares or by the Company or any of its subsidiaries of securities wholly or partly convertible into or rights to acquire Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business;
  - (iv) an issue of fully paid Shares by way of capitalisation of all or part of the Subscription Right Reserve (as defined in sub-paragraph (F)) (or other profits or reserves) to be established in certain circumstances pursuant to the terms and conditions contained in the Instrument (or any similar reserve which has been or may be established pursuant to the terms of any other securities wholly or partly convertible into, or rights to acquire, Shares); or
  - (v) an issue of Shares pursuant to a scrip dividend scheme where an amount of not less than the nominal amount of the Shares so issued is capitalised and the market value (calculation as provided in the Instrument) of such Shares is not more than 120% of the amount of dividend which Shareholders could elect to or would otherwise receive in cash.
- (C) Notwithstanding the provisions referred to in sub-paragraphs (A) and (B) above, in any circumstances where the Directors shall consider that an adjustment to the Subscription Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Subscription Price should be made notwithstanding that no such adjustment is required under the said provisions or that an adjustment should take effect on a different date or at a different time from that provided for under the said provisions, the Company may appoint either an approved merchant bank or auditors of the Company to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would or might not fairly and appropriately reflect the relative interests of the persons affected thereby and, if such approved merchant bank or the auditors of the Company (as the case may be) shall consider this to be the case, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner (including, without limitation, making an adjustment calculated on a different basis) and/or the adjustment shall take effect from such other date and/or time as shall be certified by such approved merchant bank or the auditors of the Company (as the case may be) to be in their opinion appropriate.

- (D) Any adjustment to the Subscription Price shall be made to the nearest one cent so that any amount under half a cent shall be rounded down and any amount of half a cent or more shall be rounded up. No adjustment shall be made to the Subscription Price in any case in which the amount by which the same would be reduced would be less than one cent and any adjustment which would otherwise then be required shall not be carried forward. No adjustment may be made (except on a consolidation of Share into Shares of a larger nominal amount) which would increase the Subscription Price.
- (E) Every adjustment to the Subscription Price will be certified by the auditors of the Company or an approved merchant bank in accordance with sub-paragraph (C) above and notice of each adjustment (giving the relevant particulars) will be given to the Warrantholders. In giving any certificate or making any adjustment hereunder, the auditors of the Company or the approved merchant bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on the Company and Warrantholders and all persons claiming through or under them respectively. Any such certificate of the auditors of the Company and/or approved merchant bank will be available at the principal place of business for the time being of the Company in Hong Kong, where copies may be obtained without charge.
- (F) The Company shall establish and maintain a reserve (the “**Subscription Right Reserve**”) the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional Shares required to be issued and allotted credited as fully-paid up on the exercise in full of all the subscription rights outstanding (and any other subscription rights outstanding in respect of Shares under other subscription warrants) and shall, subject to the approval of the shareholders of the Company being obtained in accordance with the provisions of the Companies Act, apply the Subscription Right Reserve in paying up in full such additional Shares as and when the same are allotted.

### 3. REGISTERED WARRANTS

The Warrants are issued in registered form. The Company shall be entitled to treat the registered holder of any Warrant as the absolute owner thereof and accordingly shall not except as ordered by a Court of competent jurisdiction or required by law be bound to recognise any equitable or other claim to or interest in such Warrant on the part of any other person, whether or not it shall have express or other notice thereof.



**4. WINDING UP OF THE COMPANY**

- (A) In the event a notice is given by the Company to its shareholders to convene a shareholders' meeting for the purposes of considering, and if thought fit approving, a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to each Warrantholder and thereupon, every Warrantholder shall be entitled by irrevocable surrender of his Warrant Certificate(s) to the Company (such surrender to occur not later than two business days prior to the proposed shareholders' meeting referred to above) with the subscription form(s) duly completed, together with payment of the subscription moneys or the relative portion thereof, to exercise the Subscription Rights represented by such Warrants and the Company shall as soon as practicable and in any event not later than the day immediately prior to the date of the proposed shareholders' meeting allot such number of Shares to the Warrantholder which fall to be issued pursuant to the exercise of the Subscription Rights represented by such Warrants. The Company shall give notice to the Warrantholder of the passing of such resolution within 7 days after the passing thereof.
- (B) If an effective resolution is passed during the Subscription Period for the voluntary winding up of the Company for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantholders, or some persons designated by them for such purpose by special resolution, shall be a party or in conjunction with which a proposal is made to the Warrantholders and is approved by special resolution, the terms of such scheme of arrangement or (as the case may be) proposal shall be binding on all the Warrantholders.

Subject to the foregoing, if the Company is wound up, all Subscription Rights which have not been exercised at the commencement of the winding-up shall lapse and the Warrant Certificates will cease to be valid for any purpose.

**5. TRANSFER, TRANSMISSION AND REGISTER**

The Subscription Rights represented by the Warrant Certificate are transferable, in whole amounts or integral multiples of the Subscription Price for the time being in force, by instrument of transfer in any usual or common form or such other form as may be approved by the Directors, by an instrument of transfer executed under the hands by the authorised person(s). Where the transferor or the transferee is HKSCC Nominees Limited or its successor thereto (or such other company as may be approved by the board of Directors for this purpose), the transfers may be executed under the hands of authorised person(s) or by machine imprinted signature(s) on its behalf or of such person(s), as the case may be. For this purpose, the Company shall maintain the Register and the provisions of the Company's bye-laws for the time being in relation to the registration, transfer and transmission of Shares shall apply, mutatis mutandis, to the registration, transfer and transmission of the Warrants and shall have full effect as if the same had been incorporated herein.

Since the Warrants will be admitted to the Central Clearing and Settlement System (“CCASS”), so far as applicable laws or regulations of relevant regulatory authorities, terms of the instrument and circumstances permit, the Company may determine the last trading day of the Warrants to be a date at least three trading days before the last day of the Subscription Period.

Persons who hold the Warrants and have not registered the Warrants in their own names and wish to exercise the Warrants may incur additional costs and expenses in connection with any expedited re-registration of the Warrants prior to the transfer or exercise of the Warrants, particularly during the period commencing ten business days prior to and including the last day for subscription.

#### **6. CLOSURE OF REGISTER OF WARRANTHOLDERS**

The registration of transfers may be suspended and the Register may be closed for such period as the Directors may from time to time direct, provided that the same shall not be closed for a period of more than 60 days in any one year. Any transfer or exercise of the Subscription Rights attached to the Warrants made while the Register is so closed shall, as between the Company and the person claiming under the relevant transfer of Warrants or, as the case may be, as between the Company and Warranholder who has so exercised the Subscription Rights attached to his Warrants (but not otherwise), be considered as made immediately after the reopening of the Register.

**7. PURCHASE AND CANCELLATION**

The Company or any of its subsidiaries may at any time purchase Warrants:

- (i) in the open market or by tender (available to all Warrantholders alike) at any price; or
- (ii) by private treaty upon terms to be agreed between the parties, but the price of which shall in any event not exceeding 110% of the Exercise Moneys,

but not otherwise.

All Warrants purchased as aforesaid shall be cancelled forthwith and may not be reissued or resold.

**8. MEETINGS OF WARRANTHOLDERS AND MODIFICATION OF RIGHTS**

- (A) The Instrument contains provisions for convening meetings of Warrantholders to consider any matter affecting the interests of Warrantholders, including the modification by special resolution of the provisions of the Instrument and/or the terms and conditions endorsed in the Warrant Certificate. A special resolution duly passed at any such meeting shall be binding on the Warrantholders, whether present or not.
- (B) All or any of the rights for the time being attached to the Warrants (including any of the provisions of the Instrument) may from time to time (whether or not the Company is being wound up), be altered or abrogated (including but without prejudice to that generality by waiving compliance with, or by waiving or authorising any past or proposed breach of, any of the provisions of the conditions endorsed on the Warrant Certificate and/or the Instrument) and the sanction of a special resolution shall be necessary and sufficient to effect such alteration or abrogation.
- (C) Where the Warrantholder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative (or representatives) or proxy (or proxies) at any Warrantholders' meeting provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of warrants in respect of which each such person is so authorised. The person so authorised will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise as if such person were an individual Warrantholder of the Company.

**9. OVERSEAS WARRANTHOLDERS**

If a Warrantholder has a registered address in any territory other than Hong Kong where, in the opinion of the Directors, the allotment of Shares to such Warrantholder upon exercise of any Subscription Rights would or might, in the absence of compliance with registration or any other special formalities in such territory, be unlawful or impracticable under the laws of such territory, then the Company shall as soon as practicable after exercise by such Warrantholder of any Subscription Rights either:

- (a) allot the Shares which would otherwise have been allotted to such Warrantholder to one or more third parties selected by the Company; or
- (b) allot such Shares to such Warrantholder and then, on his behalf, sell them to one or more third parties selected by the Company;

in each case for the best consideration then reasonably obtainable by the Company. As soon as reasonably practicable following any such allotment or (as the case may be) allotment and sale, the Company shall pay to the relevant Warrantholder an amount equal to the consideration received by the Company therefor (but having deducted therefrom all brokerages, commissions, stamp duty, withholding tax and all other payments, charges or taxes incurred by the Company in respect thereof) by posting the relevant remittance to him at his risk.

**10. REPLACEMENT OF WARRANT CERTIFICATES**

If a Warrant Certificate is mutilated, defaced, lost or destroyed, it may, at the discretion of the Company, be replaced at the principal office of the Registrar on payment of such costs as may be incurred in connection therewith and on such terms as to evidence, indemnity and/or security as the Company may require and on payment of such scrip fee not exceeding HK\$2.50 (or such higher fee as may from time to time be permitted under the rules prescribed by the Stock Exchange) as the Company may determine. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued.

In the case of lost Warrant Certificates, Division 5 of Part 4 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) shall apply as if “shares” referred to therein included Warrants.

**11. PROTECTION OF SUBSCRIPTION RIGHTS**

The Instrument contains undertakings by and restrictions on the Company designed to protect the Subscription Rights.

**12. CALL**

If, at any time Warrants which have not been exercised carry rights to subscribe equal to or less than 10% in value of all Subscription Rights, the Company may, on giving not less than 1 month's notice, require the Warranholders either to exercise their Subscription Rights represented or to allow them to lapse. On expiry of such notice, all unexercised Warrants will be automatically cancelled without any compensation to the holders of such Warrants.

**13. FURTHER ISSUE**

The Company shall be at liberty to issue further subscription warrants, including warrants ranking *pari passu* with the Warrants.

**14. UNDERTAKINGS BY THE COMPANY**

In addition to the undertakings given by it in relation to the grant and exercise of the Subscription Rights and the protection thereof, the Company undertakes in the Instrument that:

- (i) it will send to each Warranholder, at the same time as the same are sent to the holders of Shares, its audited accounts and all other notices, reports and communications despatched by it to the holders of Shares generally;
- (ii) it will pay (if applicable) all Bermuda and Hong Kong stamp duties, registration fees or similar charges in respect of the execution of the Instrument, the creation and initial issue of the Warrants in registered form, the exercise of the Subscription Rights and the issue of Shares upon the exercise of the Subscription Rights;
- (iii) it will keep available for issue sufficient ordinary capital to satisfy in full all rights for the time being outstanding of subscription for and conversion into Shares; and
- (iv) it will use all reasonable efforts to procure that all Shares allotted upon exercise of the Warrants may, upon allotment or as soon as reasonably practicable thereafter, be dealt in on the Stock Exchange (save that this obligation shall lapse in the event that the listing of the Shares on the Stock Exchange is withdrawn following an offer for all or any of the Shares (whether by way of scheme of arrangement or otherwise) where a like offer is extended to holders of the Warrants or to holders of any Shares issued on exercise of the Warrants during the period of the offer (whether by way of proposal to the Warranholders or otherwise)).

**15. NOTICES**

- (A) The Instrument contains provisions relating to notices to be given to the Warranholders.
- (B) Every Warranholder shall register with the Company an address in Hong Kong or elsewhere to which notices can be sent and if any Warranholder shall fail to do so notice may be given to such Warranholder in any of the manners hereinafter mentioned to his last known place of business or residence or, if there be none, by posting the same for 3 days at the principal place of business for the time being of the Company in Hong Kong.
- (C) All notices with respect to Warrants standing in the names of joint holders shall be given to whichever of such persons is named first in the Register and notice so given shall be sufficient notice to all the holders of such Warrants.

**16. GOVERNING LAW**

The Instrument and the Warrants are governed by and will be construed in accordance with the laws of Hong Kong.

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## NOTICE OF SPECIAL GENERAL MEETING

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### STYLAND HOLDINGS LIMITED

大凌集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

**NOTICE IS HEREBY GIVEN** that a special general meeting of Styland Holdings Limited (the “**Company**”) will be held at Room 1111, 11/F, Wing On Centre, 111 Connaught Road Central, Sheung Wan, Hong Kong at 11:45 a.m. on Friday, 15 September 2023 for the purpose of considering and, if thought fit, passing the following resolution:

#### ORDINARY RESOLUTION

“**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Warrants (as defined below) and any new shares of the Company (the “**Shares**”) which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants, the directors of the Company be and are hereby authorised:

- (a) to create warrants (“**Warrants**”), which shall be in registered form, carrying rights to subscribe for new Shares at the initial exercise price of HK\$0.138 per Share (subject to adjustment) and shall be exercisable at any time from the date of the issue of the Warrants and end on the date falling 12 months from the date of issue of the Warrants (both dates inclusive) on the terms and conditions set out in the warrant instrument (the “**Warrant Instrument**”) (a copy of a draft of which marked “A” is produced to this meeting and signed for the purpose of identification by the Chairman of this meeting) and to issue the same by way of bonus to and among the persons who are registered as shareholders of the Company as at the close of business on the date to be determined by the directors of the Company as the record date for the determination of entitlements to the bonus issue of the Warrants (the “**Record Date**”) in the proportion of one (1) Warrant for every five (5) Shares then held on the Record Date, provided that:
  - (i) in the case of persons having registered addresses outside Hong Kong and the directors of the Company are of the view that their exclusion from the issue of Warrants is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the relevant Warrants shall not be issued to such persons but shall be aggregated and sold in the market and the net proceeds of sale, after deduction of expenses, distributed pro rata to such persons unless such amount falling to be distributed to any such person is less than HK\$100 in which case such amount will be retained for the benefit of the Company; and

\* For identification purposes only

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## NOTICE OF SPECIAL GENERAL MEETING

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- (ii) fractional entitlements to the Warrants will not be issued, but will be aggregated and sold for the benefit of the Company. The net proceeds of the sale will be retained for the benefit of the Company. The directors of the Company shall do all such acts and things as they consider necessary or expedient to give effect to the foregoing arrangements;
- (b) as a specific mandate to the directors of the Company, to allot and issue new Shares upon exercise of the subscription rights attaching to the Warrants or any of them, such new Shares shall rank pari passu in all respects with the then existing issued Shares;
- (c) to execute the said Warrant Instrument, certificates for the Warrants and all other documents, deeds and instruments under hand or, where necessary, under seal of the Company in accordance with the bye-laws of the Company as the directors of the Company consider necessary or expedient to give effect to the Warrant Instrument and other transactions contemplated in this resolution; and
- (d) to do all such acts and things as the directors of the Company consider necessary or expedient to give effect to the transactions contemplated under this resolution or the Warrant Instrument.”

By order of the Board  
**Styland Holdings Limited**  
**Li Hancheng**  
*Non-executive Chairman*

Hong Kong, 31 August 2023

*Registered Office:*  
Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

*Head office and principal place  
of business in Hong Kong:*  
Room 1111, 11/F  
Wing On Centre  
111 Connaught Road Central  
Sheung Wan  
Hong Kong



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## NOTICE OF SPECIAL GENERAL MEETING

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*Notes:*

- (1) A form of proxy for use at the meeting is enclosed herewith.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer, attorney or other person authorised to sign the same.
- (3) Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- (4) In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the Company's share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
- (5) Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should you so wish, and in such an event, the form of proxy shall be deemed to be revoked.
- (6) Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.

*As at the date hereof, the executive directors of the Company are Mr. Cheung Hoo Win and Mr. Ng Yiu Chuen, and independent non-executive directors are Mr. Li Hancheng, Mr. Lo Tsz Fung Philip and Ms. Ling Sui Ngor.*