
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect 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 Sau San Tong Holdings Limited, you should at once hand this circular, together 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 transfer was effected for transmission to the purchaser or transferee.

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SAU SAN TONG HOLDINGS LIMITED

修身堂控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8200)

**NOTICE OF ANNUAL GENERAL MEETING
RE-ELECTION OF RETIRING DIRECTORS
PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
REFRESHMENT OF THE EXISTING LIMIT ON THE GRANT
OF OPTIONS UNDER THE SHARE OPTION SCHEME**

The notice convening the annual general meeting (“AGM”) of Sau San Tong Holdings Limited (the “Company”) to be held at 16th Floor, Prosperity Tower, 39 Queen’s Road Central, Central, Hong Kong on Friday, 22 September 2017 at 11:30 a.m. or any adjourned meeting thereof is contained in this circular of the Company.

Whether or not you are able to attend and vote at the AGM, you are advised to read the notice and to complete and return the form of proxy for use at the AGM enclosed with the circular of the Company in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar and transfer office of the Company, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. The completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting in person if you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the Company’s website at www.sausantong.com.

* *For identification purpose only*

23 August 2017

CHARACTERISTICS OF GROWTH ENTERPRISE MARKET (“GEM”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

RESPONSIBILITY STATEMENT

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (i) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; and
- (ii) there are no other matters the omission of which would make any statement herein or this circular misleading.

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DEFINITIONS

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

“2017 Annual Report”	means the annual report of the Company for the year ended 31 March 2017
“AGM”	means the annual general meeting of the Company to be convened and held at 16th Floor, Prosperity Tower, 39 Queen’s Road Central, Central, Hong Kong on Friday, 22 September 2017 at 11:30 a.m.
“Board”	means the board of Directors
“Close associates”	means the same definition as described under the GEM Listing Rules
“Company”	means Sau San Tong Holdings Limited, a company incorporated in the Cayman Islands with limited liability and is listed on GEM
“Director(s)”	means the directors of the Company
“Eligible Participants”	any full-time or part-time employees, executives or officers (including executive, non-executive and independent non-executive Directors) of the Company or any of its subsidiaries; and any consultants, agents, advisers who, in the sole opinion of the Board, have contributed to the Company or any of its subsidiaries
“Existing Scheme Limit”	the maximum number of Shares which may be issued upon exercise of all options granted/to be granted under the Share Option Scheme, being 182,113,895 Shares (as adjusted for share consolidation on 23 September 2016), representing 10% of the issued share capital of the Company in issue as at the date of passing relevant ordinary resolution on 23 February 2016
“GEM”	means the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on GEM
“Group”	means the Company and its subsidiaries
“HK\$”	means Hong Kong Dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	means 18 August 2017, being the latest practicable date prior to the printing of this circular
“Last Adoption Resolution”	the ordinary resolution passed at the extraordinary general meeting of the Company held on 23 February 2016 for the adoption of the Share Option Scheme
“Notice”	means the notice convening the AGM
“Repurchase Mandate”	means a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares of the Company on the terms set out in the Notice
“SFO”	means the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	means ordinary share(s) of nominal value of HK\$0.02 each in the share capital of the Company
“Shareholder(s)”	means the holder(s) of Shares
“Share Option Scheme”	the share option scheme adopted by the Company on 24 February 2016
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Takeovers Code”	means the Hong Kong Code on Takeovers and Mergers
“%”	means per cent

LETTER FROM THE BOARD OF DIRECTORS



SAU SAN TONG HOLDINGS LIMITED
修身堂控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8200)

Executive Directors:

Dr. Cheung Yuk Shan, Shirley (*Chairman*)
Mr. Mui Wai Sum

Non-Executive Director:

Mr. Takashi Togo

Independent Non-Executive Directors:

Mr. Hong Po Kui, Martin
Ms. Chiu Kam Hing, Kathy
Mr. Lau Wai Leung, Alfred

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

***Head office and principal
and place of business:***

16th Floor
Prosperity Tower
39 Queen's Road Central
Central
Hong Kong

23 August 2017

To the shareholders of the Company

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING
RE-ELECTION OF RETIRING DIRECTORS
PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
REFRESHMENT OF THE EXISTING LIMIT ON THE GRANT
OF OPTIONS UNDER THE SHARE OPTION SCHEME**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM which, upon approval, would enable the Company to:

- (a) allot and issue new shares of the Company and to make or grant offers, agreements, options and warrants not exceeding 20% of the share capital of the Company in issue as at the date of passing such resolution;

* *For identification purpose only*

LETTER FROM THE BOARD OF DIRECTORS

- (b) repurchase shares not exceeding 10% of the number of shares of the Company in issue as at the date of passing such resolution;
- (c) add to the general mandate for issuing shares set out in (a) above the number of shares repurchased by the Company pursuant to the Repurchase Mandate set out in (b) above;
- (d) to refresh the Existing Scheme Limit
- (e) re-elect retiring Directors.

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

At the AGM, it will be proposed, by way of ordinary resolution, that the Directors be given a general and unconditional mandate to exercise all powers of the Company to allot and issue new shares in the Company up to 20% of the issued share capital of the Company on the date of passing of the ordinary resolution (“New Issue Mandate”) which is estimated to be 1,092,681,572 shares based on the 5,463,407,862 Shares in issue as at the Latest Practicable Date. In addition, it is further proposed, by way of a separate ordinary resolution, that the New Issue Mandate be extended so that the Directors of the Company be given a general mandate to issue further shares in the Company equal to the number of the shares of the Company repurchased under the Repurchase Mandate. Any issue of new shares in the Company is subject to approval from the Stock Exchange for the listing of and permission to deal such new shares.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, it will be proposed, by way of an ordinary resolution, that the Directors of the Company be given a general and unconditional mandate to exercise all powers of the Company to repurchase on the Stock Exchange the Shares up to a maximum of 10% of the shares of the Company in issue at the date of passing of the ordinary resolution. This Repurchase Mandate, if approved, will continue in force until the conclusion of the next AGM of the Company or until revoked or varied by ordinary resolution of shareholders in general meeting prior to the next AGM. An explanatory statement containing information relating to the Repurchase Mandate is set out in Appendix to this circular.

REFRESHMENT OF THE EXISTING SCHEME LIMIT

Pursuant to the ordinary resolution passed on 23 February 2016, the Share Option Scheme was adopted. The Share Option Scheme is established to recognize and acknowledge the contributions the Eligible Participants had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) motivate the Eligible Participants to optimize their performance efficiency for the benefit of the Group;

LETTER FROM THE BOARD OF DIRECTORS

- (ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group; and/or
- (iii) for such purposes as the Board may approve from time to time.

Pursuant to Chapter 23 of the GEM Listing Rules, the total number of securities which may be issued upon exercise of all options to be granted under a share option scheme and any other schemes of a listed issuer must not in aggregate exceed 10% of the relevant class of securities of the listed issuer in issue as at the date of approval of the scheme. The listed issuer may seek approval by its shareholders in general meeting for “refreshing” the 10% limit under the scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the listed issuer under the limit as “refreshed” must not exceed 10% of the relevant class of securities in issue as at the date of approval of the refreshed limit. Options previously granted under the schemes (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised options) will not be counted for the purpose of calculating the limit as “refreshed”. The GEM Listing Rules also provide that the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other schemes must not exceed 30% of the relevant class of securities of the listed issuer in issue from time to time.

Pursuant to the Existing Scheme Limit, the Directors may grant options not exceeding 182,113,895 Shares (as adjusted for share consolidation on 23 September 2016), representing 10% of the issued share capital of the Company as at the date of passing relevant ordinary resolution on 23 February 2016. Since the date of passing of the Last Adoption Resolution, the issued share capital of the Company has been increased due to completion of rights issue on 3 March 2017. As at the Latest Practicable Date, 36,422,718 options have been granted under the Existing Scheme Limit.

The Directors consider that the Company should refresh the Existing Scheme Limit so that the Company could have more flexibility to provide incentives to the Eligible Participants by way of granting share options to them. If the refreshment of the Existing Scheme Limit is approved at the Annual General Meeting, based on the 5,463,407,862 Shares in issue as at the Latest Practicable Date and assuming that the issued shares of the Company remains unchanged on the date of the Annual General Meeting, the Company will be allowed under the “refreshed limit” to grant options carrying the rights to subscribe for up to a total of 546,340,786 Shares, representing 10% of the issued shares of the Company as at the Annual General Meeting.

LETTER FROM THE BOARD OF DIRECTORS

Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. The following table shows the details of the share options granted/exercised/lapsed/cancelled/outstanding under the Share Option Scheme up to the Latest Practicable Date:

Class of Eligible Participants	Number of options granted	Number of options exercised	Number of options lapsed	Number of options cancelled	Number of outstanding options
Director	18,211,359	—	—	—	18,211,359
Chief Executive Officer	<u>18,211,359</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>18,211,359</u>
Total	<u><u>36,422,718</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>36,422,718</u></u>

In summary, the total outstanding options from the Share Option Scheme as at the Latest Practicable Date carrying the right to subscribe for 36,422,758 Shares, representing approximately 0.67% of the total number of Share in issue.

None of the grantees has been granted with options which exceed the limit of 1% of the issued shares of the Company in the 12-month period up to and including the respective dates of grant as set out in Rule 23.04(1) of the GEM Listing Rules.

If the refreshment of the Existing Scheme Limit is approved at the Annual General Meeting, the existing outstanding options of the Company and the options to be granted under the “refreshed limit” will not exceed 30% of the issued shares of the Company.

The Directors consider that the refreshment of the Existing Scheme Limit is in the interests of the Group and the Shareholders as a whole because it enables the Company to reward and motivate its employees and other Eligible Participants under the Share Option Scheme.

The refreshment of the Existing Scheme Limit is conditional upon:

- (i) the passing of an ordinary resolution at the Annual General Meeting to approve the said refreshment; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the Annual General Meeting.

Application will be made to the Listing Committee of the Stock Exchange for granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution at the Annual General Meeting.

LETTER FROM THE BOARD OF DIRECTORS

RE-ELECTION OF RETIRING DIRECTORS

It will be proposed at the AGM an ordinary resolution to re-elect Mr. Takashi Togo and Mr. Lau Wai Leung, Alfred as Directors. Their particulars are shown below.

Mr. Takashi TOGO (“Mr. Togo”), aged 53, is a non-executive Director and joined the Group in March 2016. Mr. Togo holds a bachelor degree of Economics from Hitotsubashi University in Japan. He has over 11 years’ experience in foreign equities investment. He was the investment manager of several investment funds in Japan including Yasuda Trust & Banking Corporation Limited and Fuji Investment Management Company Limited. He also specializes in merger and acquisitions, his clients cover major reputable Japan corporations. Mr. Togo has been serving as the chief executive officer of a consultancy firm in Japan since 2000. He is also currently participating in a few big property projects in Tokyo and Osaka. Mr. Togo is currently an executive director of China Information Technology Development Limited (a company listed on the GEM, stock code: 8178). Save as disclosed herein, to the best knowledge of the Board, Mr. Togo does not hold any other directorships in any listed public companies in Hong Kong or overseas in the last three years.

Mr. Togo is not connected with any directors, senior management, substantial or controlling shareholders of the Company (within the meaning of the GEM Listing Rules). As at the Latest Practicable Date, Mr. Togo does not have any interests or underlying interests in Shares within the meaning of Part XV of the SFO.

Mr. Togo has entered into an appointment letter with the Company commencing from 15 March 2016. Mr. Togo has no fixed term of service with the Company save that his appointment is subject to retirement by rotation and eligible for re-election at the Company’s annual general meetings in accordance with the articles of association of the Company. Mr. Togo is entitled to a director’s fee of HK\$240,000 per annum, which is determined by reference to his duties and responsibilities and the prevailing market conditions and Mr. Togo is not entitled to any other remuneration. For the financial year ended 31 March 2017, Mr. Togo received from the Company a director’s fee of HK\$240,000. Save as disclosed above, Mr. Togo and the Company are not aware of any other matters that need to be brought to the attention of the shareholders of the Company and there is no matter to disclose under Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Mr. LAU Wai Leung, Alfred (“Mr. Lau”), aged 37, is an independent non-executive Director and joined the Group in December 2016. He is a member of the audit committee, the remuneration committee and the nomination committee of the Company. He has over 14 years of working experience in accounting, corporate finance, debt restructuring and private equity investment. Mr. Lau holds a bachelor degree of business administration from City University of Hong Kong. Mr. Lau is a member of American Institute of Certified Public Accountants and also is a Certified Public Accountant in Washington State, USA. Mr. Lau is a licensed person under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) permitted to carry out Type 6 (advising on corporate finance) regulated activity since July 2004.

Mr. Lau does not hold other directorships in listed companies in the last 3 years.

LETTER FROM THE BOARD OF DIRECTORS

Mr. Lau is not connected with any directors, senior management, substantial or controlling shareholders of the Company (within the meaning of the GEM Listing Rules). As at the Latest Practicable Date, Mr. Lau does not have any interests or underlying interests in Shares within the meaning of Part XV of the SFO.

Mr. Lau has entered into an appointment letter with the Company. Mr. Lau is entitled to an annual director fee of HK\$120,000, based on the prevailing market rates in Hong Kong and Mr. Lau is not entitled to any other remuneration. For the financial year ended 31 March 2017, Mr. Lau received from the Company a director's fee of HK\$35,161.

Save as disclosed above, Mr. Lau and the Company are not aware of any other matters that need to be brought to the attention of the shareholders of the Company and there is no matter to disclose under Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

ANNUAL GENERAL MEETING

The notice convening the AGM, which contains, *inter alia*, ordinary resolutions to approve the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, the refreshment of the Existing Scheme Limit and reelection of retiring Directors is set out on page 14 to 18 of this circular.

PROXY

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the meeting. The completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting in person if you so wish.

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution put to the vote of the AGM pursuant to Article 66 of Company's Articles of Association. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

LETTER FROM THE BOARD OF DIRECTORS

RECOMMENDATION

The Directors are of the opinion that the proposed resolutions regarding the re-election of retiring Directors and the granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the Refreshment of the Existing Scheme Limit are in the best interests of the Company and its shareholders and recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

Yours faithfully,
On behalf of the Board
Sau San Tong Holdings Limited
Cheung Yuk Shan, Shirley
Chairman

This is an explanatory statement given to all shareholders of the Company relating to the resolution to be proposed at the AGM authorizing the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

Exercise in full of the Repurchase Mandate, on the basis of 5,463,407,862 Shares in issue as at the Latest Practicable Date and assuming that the issued share capital of the Company will not change prior to the AGM, would result in 546,340,786 Shares, being repurchased by the Company during the period prior to the next annual general meeting of the Company following the passing of the resolution approving the Repurchase Mandate, the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association of the Company to be held or when the Repurchase Mandate is revoked or varied by an ordinary resolution by the shareholders in general meeting, whichever is the earliest.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its shareholders for the Directors to have a general authority from shareholders to enable the Company to repurchase shares in the market. Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per share.

3. FUNDING OF REPURCHASES

Any repurchases will only be funded out of funds of the Company legally available for the purposes in accordance with its Memorandum and Articles of Association of the Company and the laws of the Cayman Islands.

4. EFFECT OF EXERCISE OF THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the Annual Report 2017) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. DISCLOSURE OF INTERESTS

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective close associates, have any present intention, if the Repurchase Mandate is exercised, to sell Shares to the Company or its subsidiaries.

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE CONSEQUENCES

If as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a shareholder, or a group of shareholders acting in concert, depending on the level of increase in the shareholder's interests, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the following shareholders are interested in more than 5% of the Shares then in issues:

Name of shareholder	Number of Shares held	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercise in full
Mr. Yau Chung Chung	543,800,000	9.95%	11.06%
Like Capital Limited (<i>Note 1</i>)	520,200,000	9.52%	10.58%
Ethnocentric Investment Limited (<i>Note 1</i>)	520,200,000	9.52%	10.58%
Capital VC Limited (<i>Note 1</i>)	520,200,000	9.52%	10.58%

Note 1: Like Capital Limited is a company incorporated in Hong Kong with limited liability which is wholly owned by Ethnocentric Investment Limited, a company incorporated in the British Virgin Islands with limited liability, which is in turn wholly owned by Capital VC Limited, a company incorporated in the Cayman Islands and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2324). As such, each of Ethnocentric Investment Limited and Capital VC Limited is deemed to be interested in all the 348,400,000 Share held by Like Capital Limited.

On the basis of the current shareholdings of the above Shareholders, in the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the above Shareholders would be increased to approximately the respective percentages shown in the last column above and such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

To the best of the knowledge, information and belief of the Directors and on the basis of the shareholding of the Company as at the Latest Practicable Date, the Directors are not aware of any consequences which may arise under the Takeovers Code as consequences of any purchase made under the Repurchase Mandate. The Directors have no intention to exercise the Repurchase Mandate to repurchase shares to such an extent that would give rise an obligation to make a mandatory offer under Rule 26 of the Takeover Code or the public holding of Shares would be reduced below 25% of the issued share capital of the Company.

8. SHARE PURCHASE MADE BY THE COMPANY

No repurchases of securities have been made by the Company in the previous six months before the Latest Practicable Date, whether on the Stock Exchange or otherwise.

9. CORE CONNECTED PERSON

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective close associates has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company. No core connected person (as defined in the GEM Listing Rules) has notified the Company that he/she/it has a present intention to sell Shares to the Company, nor has undertaken not to do so, in the event that the Repurchase Mandate is approved by the shareholders.

10. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the GEM during each of the previous twelve months before the Latest Practicable Date were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2016		
August	0.126	0.088
September	0.108	0.090
October	0.105	0.089
November	0.097	0.086
December	0.107	0.087
2017		
January	0.100	0.090
February	0.115	0.094
March	0.142	0.083
April	0.090	0.074
May	0.084	0.069
June	0.088	0.065
July	0.080	0.066
August (up to the Latest Practicable Date)	0.079	0.059

Note: The above information is prepared from the data extracted from the website of the Stock Exchange (www.hkex.com.hk).

NOTICE OF ANNUAL GENERAL MEETING



SAU SAN TONG HOLDINGS LIMITED 修身堂控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8200)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “Annual General Meeting”) of the shareholders of Sau San Tong Holdings Limited (the “Company”) will be held at 16th Floor, Prosperity Tower, 39 Queen’s Road Central, Central, Hong Kong on Friday, 22 September 2017 at 11:30 a.m. for the following purposes:

1. to receive and consider the audited financial statements and the reports of the directors and auditors for the year ended 31 March 2017;
2. (i) to re-elect Mr. Takashi Togo as a non-executive Director;

(ii) to re-elect Mr. Lau Wai Leung, Alfred as an independent non-executive Director;
and

(iii) to authorise the board of Directors to fix the Director’s remuneration;
3. to re-appoint auditors and authorise the Directors to fix their remuneration;
4. to consider as special business and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on The Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

- (c) the number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the grant or exercise of any option under the share option scheme of the Company or any other issue of shares or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the total number of shares of the Company in issue at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company, or any applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the Company on the register on a fixed record date in proportion to their holdings of shares (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, or the expense or delay which any be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

5. to consider as special business and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares on the GEM or any other stock exchange on which the shares of the Company may be listed and recognised by The Securities and Futures Commission of Hong Kong (“Securities and Futures Commission”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regards be and is hereby generally and unconditionally approved;
- (b) the number of shares of the Company authorised to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of shares of the Company in issue at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company, or any applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

6. to consider as special business and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon resolutions no. 4 and 5 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional shares and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to resolution no. 4 above be and is hereby extended by the addition thereto of an amount representing the number of the shares of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5 above, provided that such amount shall not exceed 10% of the total number of the shares of the Company in issue at the date of the passing of the said resolution.”

7. to consider as special business and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on 24 February 2016 (the “Share Option Scheme”), representing 10% of the issued share capital of the Company as at the date on which this resolution is passed:

- (a) approval be and is hereby granted for refreshing the 10% mandate under the Share Option Scheme (the “**Refreshed Scheme Mandate**”) provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group under the limit as refreshed hereby shall not exceed 10% of the total number of issued shares of the Company as at the date on which this resolution is passed (options previously granted under the Share Option Scheme and any other share option schemes of the Group (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Group) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and

NOTICE OF ANNUAL GENERAL MEETING

- (b) the directors of the Company or a duly authorized committee thereof be and they are hereby authorized: (i) at their absolute discretion, to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot issue and deal with shares of the Company pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate.”

By Order of the Board
Sau San Tong Holdings Limited
Ip Wai Sing
Company Secretary

Hong Kong, 23 August 2017

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal

place of business:
16th Floor, Prosperity Tower
39 Queen's Road Central
Central
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Subject to the provisions of the Articles of Association of the Company, any member of the Company entitled to attend and vote at the AGM is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A member of the Company who is the holder of two or more Shares may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the AGM. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company but must be present in person at the AGM to represent the member. On a poll, votes may be given either in person or by proxy. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation shall be entitled to exercise the same powers on behalf of the member of the Company which he/she/it or they represent as such member of the Company could exercise.
2. Where there are joint holders of Shares, any one of such joint holders may vote at the AGM, either in person or by proxy, in respect of such Share as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the AGM the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
3. The form of proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same. In the case of a form of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorized to sign such form of proxy on behalf of the corporation without further evidence of the facts.
4. A form of proxy for use at the AGM is enclosed with the circular of the Company dated 23 August 2017. Such form of proxy is also published on the GEM website at www.hkgem.com and the Company's website at www.sausantong.com. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and return, together with the power of attorney or other authority (if any) under which it is signed, (or a copy which has been certified by a notary) to the Hong Kong branch share registrar and transfer office of the Company, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned meeting at which the person named in the form proposes to vote.
5. Completion and return of the form of proxy shall not preclude a member of the Company from attending and voting in person at the AGM and in such event, the form of proxy shall be deemed to be revoked.
6. The Register of Members of the Company will not be closed for the AGM. To qualify for attendance of the annual general meeting, all transfers accompanied by the relevant share certificates of the Company must be lodged with the Hong Kong branch share registrar and transfer office, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:00 p.m. on 21 September 2017, for registration.