

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, 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 to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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STYLAND HOLDINGS LIMITED

大凌集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

(Warrant Code: 1435)

**(1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS;
(3) REFRESHMENT OF LIMIT OF SHARE OPTION SCHEME;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 28/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong on 24 September 2020 at 11:00 a.m. is set out on pages 13 to 19 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at <http://www.hkexnews.hk>.

Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited, at Level 54, 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 annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish and in such event, the proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE AGM

Please refer to the notice of the AGM for measures being taken to prevent and control the spread of the Novel Coronavirus ("COVID-19") at the AGM, including:

- compulsory body temperature checks and health declarations
- wearing of facial surgical mask for each attendee
- no provision of corporate gift or refreshment

Due to the constantly evolving COVID-19 pandemic situation, the Company may be required to change the AGM arrangements at short notice. Shareholders are advised to check the website of the Stock Exchange and the Company's website for future announcements and updates on the AGM arrangements.

* For identification purposes only

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 28/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong on 24 September 2020 at 11:00 a.m. for the purpose of considering, and if thought fit, approving the proposed resolutions set out in this circular
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for business of dealing in securities
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Styland Holdings Limited, a company incorporated in Bermuda with limited liability (stock code: 211), the issued Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Person”	persons who satisfy the eligibility criteria in the Share Option Scheme
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	18 August 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this circular

DEFINITIONS

“Scheme Limit”	the maximum number of Shares which may be allotted and issued upon the exercise of all Share Options which initially shall not in aggregate exceed 10% of the number of Shares in issue as at the date of adoption of the Share Option Scheme and thereafter, if refreshed, shall not exceed 10% of the number of Shares in issue as at the date of approval of the refreshed limit by the Shareholders
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Share Consolidation”	the proposed consolidation of every ten (10) existing Shares in the share capital of the Company into one (1) consolidated Share in the share capital of the Company, details of which are set out in the announcement of the Company dated 28 July 2020
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option(s)”	the share option(s) granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted at the annual general meeting held on 21 September 2012
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers of Hong Kong
“Warrant(s)”	warrants issued by the Company to subscribe for new Share(s) at an initial subscription price of HK\$0.01 per new Share, subject to adjustment
“Warrant Holder(s)”	holder(s) of Warrant(s)
“%”	per cent

LETTER FROM THE BOARD



STYLAND HOLDINGS LIMITED

大凌集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

(Warrant Code: 1435)

Executive Directors:

Cheung Hoo Win (*Chief Executive Officer*)
Ng Yiu Chuen
Mak Kit Ping

Independent non-executive Directors:

Li Hancheng (*Non-Executive Chairman*)
Yeung Shun Kee
Lo Tsz Fung Philip

Registered office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

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

28th Floor
Aitken Vanson Centre
61 Hoi Yuen Road
Kwun Tong, Kowloon
Hong Kong

24 August 2020

To the Shareholders and Warrant Holders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS;
(3) REFRESHMENT OF LIMIT OF SHARE OPTION SCHEME;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with (i) details of the granting to the Directors of general mandates to issue and repurchase Shares; (ii) an explanatory statement regarding the repurchase mandate; (iii) details of the re-election of Directors; (iv) details of refreshment of the limit of the Share Option Scheme; and (v) the notice for the AGM.

* *For identification purposes only*

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to grant a general mandate to the Directors to allot, issue and deal with new Shares not exceeding 20 per cent. of the issued share capital of the Company to provide flexibility to the Company to raise funds by way of issue of Shares efficiently. This general mandate shall only continue in force until (i) the conclusion of the first annual general meeting of the Company following the passing of the ordinary resolution at which time it shall lapse unless, by an ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or (ii) revoked or varied by an ordinary resolution of the Shareholders in a general meeting, whichever occurs first.

On the Latest Practicable Date, there were in issue an aggregate of 6,394,046,829 Shares. Exercise in full of the mandate, on the assumption that no further Shares will be issued or repurchased prior to the date of the AGM, could accordingly result in up to 1,278,809,365 Shares being issued by the Company, representing 20 per cent. of the issued share capital of the Company on the Latest Practicable Date.

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed that the Directors be given a general mandate to exercise all powers of the Company to repurchase issued and fully paid Shares. Under such mandate, the number of Shares that the Company may repurchase shall not exceed 10 per cent. of the share capital of the Company in issue on the date of the resolution. Based on 6,394,046,829 Shares in issue on the Latest Practicable Date and on the assumption that no further Shares will be issued or repurchased prior to the date of the AGM, exercise in full of the mandate could accordingly result in up to 639,404,682 Shares being repurchased by the Company.

The Company's authority is restricted to purchases made on the Stock Exchange in accordance with the Listing Rules. The mandate allows the Company to make or agree to make purchases only during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company with the flexibility to make such repurchase when appropriate and is therefore beneficial to the Company. Such repurchases may enhance the net asset value of the Company and/or earnings per Share. As compared with the financial position of the Company as at 31 March 2020 (being the date of its latest audited accounts), the Directors consider that there might be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed purchases were to be carried out in full during the proposed purchase period. However, the Directors do not intend to exercise the power to purchase shares pursuant to the repurchase mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing

LETTER FROM THE BOARD

ratio of the Company or where such a repurchase would result in the public float of the Company falling below 25 per cent., the prescribed minimum percentage of the Shares in issue required by the Stock Exchange to be held by the public.

The Company is empowered by its memorandum of association and bye-laws to purchase its Shares. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either (i) the capital paid up on the relevant shares, or (ii) funds of the Company that would otherwise be available for dividend or distribution or (iii) the proceeds of a new issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of either (i) the funds of the Company that would otherwise be available for dividend or distribution or (ii) out of the share premium or contributed surplus accounts of the Company. Under Bermuda law, the shares so repurchased will be treated as cancelled but the aggregate amount of authorised share capital will not be reduced as only the issued capital will be reduced.

To purchase the Shares, the Directors intend to fund the purchase out of the capital paid up on the relevant Shares or the Company's reserves that would otherwise be available for distribution by way of dividend.

Directors, their Associates and Connected Persons

None of the Directors or, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the associates of any of the Directors has any present intention, in the event that the proposal is approved by the Shareholders, to sell any Shares to the Company.

No connected person of the Company has notified the Company that he/she has a present intention to sell the Shares to the Company or has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of Shares.

Undertaking of the Directors

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, to exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda, and in accordance with the regulations set out in the memorandum of association and bye-laws of the Company.

Effect of Takeovers Code

A repurchase of Shares by the Company may result in an increase in the proportionate interest of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

LETTER FROM THE BOARD

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Mr. Cheung Chi Shing and his spouse, Ms. Yeung Han Yi Yvonne (collectively, the “**Substantial Shareholders**”), in total holding approximately 20.39% of the issued share capital of the Company, were the substantial shareholders holding more than 10% of the issued share capital of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution, the shareholding of the Substantial Shareholders in the Company would be increased to approximately 22.65% of the issued share capital of the Company and such increase would not give rise to an obligation on it to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

Rules of the Stock Exchange Rules on Repurchases of Shares

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders’ Approval

The Listing Rules provide that all shares to be repurchased on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, which may be by way of a general mandate, or by a special resolution in relation to specific transactions.

(b) Source of funds

Repurchases must be funded out of funds legally available for the purpose.

General

During each of the six months preceding the Latest Practicable Date, no Shares were repurchased by the Company, whether on the Stock Exchange or otherwise.

During each of the previous 12 months, the highest and lowest traded prices for Shares and Warrants on the Stock Exchange were as follows:

	Shares		Warrants	
	Highest	Lowest	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
2019			2018 Warrants (<i>note 1</i>)	
August	0.064	0.043	0.043	0.013
September	0.055	0.04	0.039	0.03
October	0.047	0.038	0.032	0.025
			2019 Warrants (<i>note 2</i>)	
November	0.044	0.035	0.028	0.024
December	0.041	0.033	0.028	0.024

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	Shares		Warrants	
	Highest	Lowest	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
2020				
January	0.037	0.032	0.025	0.022
February	0.034	0.025	0.023	0.016
March	0.028	0.02	0.025	0.011
April	0.04	0.02	0.027	0.011
May	0.025	0.019	0.012	0.01
June	0.025	0.018	0.012	0.01
July	0.05	0.02	0.038	0.01
1 August to the Latest Practicable Date	0.035	0.026	0.019	0.018

Note 1: The last trading day of the 2018 Warrants on the Stock Exchange was 31 October 2019.

Note 2: Dealing in the 2019 Warrants commenced on the Stock Exchange on 19 November 2019.

RE-ELECTION OF DIRECTORS

Resolutions will be proposed at the AGM for the re-election of Mr. Ng Yiu Chuen as the executive Director and Mr. Lo Tsz Fung Philip as the independent non-executive Director according to the Company's bye-laws.

Their particulars are as follows:

Mr. Ng Yiu Chuen, aged 61, joined the Group in 2010 as associate director of a subsidiary. He was appointed as an executive Director in December 2010. Mr. Ng obtained a bachelor's degree in Business Administration from City University of Hong Kong and was elected as Associate of The Hong Kong Institute of Bankers in 2002.

Mr. Ng has over 40 years of experience in the financing and asset management business. Prior to joining the Group, he had, for more than 18 years, held senior executive management roles and was responsible for overseeing the finance division and managing the portfolios of liquid assets for various well known international companies including GE Capital (Hong Kong) Limited and American Express Bank Limited. Mr. Ng is mainly responsible for the money lending business of the Group. Mr. Ng is also one of the directors of certain subsidiaries of the Company.

Save as disclosed herein, Mr. Ng did not hold any directorship in other listed public companies in the last three years and did not hold any other position in the Company or any subsidiary of the Company.

Pursuant to his service agreement with the Company, Mr. Ng's appointment has no fixed term of service but is subject to normal retirement and re-election by the Shareholders pursuant to the bye-laws of the Company. Mr. Ng is entitled to a monthly remuneration package including a salary of HK\$80,000 and an allowance of HK\$12,000,

LETTER FROM THE BOARD

and a discretionary bonus for each completed year of service. His remuneration was determined with reference to market rates and his experience, duties and responsibilities in the Group.

As at the Latest Practicable Date, Mr. Ng did not have, and was not deemed to have, any interests or short positions in any shares or debentures (as defined under the Part XV of the SFO) of the Company, and did not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(a) to 13.51(2)(v) of the Listing Rules and no other matters relating to Mr. Ng's re-election need to be brought to the attention of the Shareholders.

Mr. Lo Tsz Fung Philip, aged 53, was appointed as an independent non-executive Director in 2009. He graduated from the University of Wollongong, NSW Australia in 1992 with a Bachelor of Commerce degree. Currently, Mr. Lo is an independent director of Dragon Jade International Limited, a company listed on OTCQX in the United States, and the chief financial officer of China Keli Electric Company Limited, a company listed on the NEX board of TSX Venture Exchange in Canada. Mr. Lo is also the director and listing executive of Great Vision Capital Limited which is a listing advisor approved by the Dutch Caribbean Securities Exchange. Mr. Lo was a director and chief financial officer of ZZLL Information Technology Inc., a company listed on OTCQB in the United States, for the period from March 2017 to February 2018 and an executive director of Golden Century International Holdings Group Limited (stock code: 91), a company listed on the Main Board of the Stock Exchange for the period from 11 September 2019 to 1 July 2020.

Mr. Lo has extensive experience in the areas of corporate management, financial accounting and auditing. Mr. Lo is a member of the Certified Public Accountants of Australia and a certified public accountant of the Hong Kong Institute of Certified Public Accountants.

Save as disclosed herein, Mr. Lo did not hold any directorship in other listed public companies in the last three years and did not hold any other position in the Company or any subsidiaries of the Company.

Pursuant to his service agreement with the Company, there is a term of two years up to 5 April 2021 for his appointment and is subject to normal retirement and re-election by the Shareholders pursuant to the bye-laws of the Company. Mr. Lo is entitled to receive a fixed emolument of HK\$150,000 per annum which was determined with reference to market rates and his experience, duties and responsibilities in the Group.

As at the Latest Practicable Date, Mr. Lo did not have, and was not deemed to have, any interests or short positions in any shares or debentures (as defined under the Part XV of the SFO) of the Company, and did not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

LETTER FROM THE BOARD

Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(a) to 13.51(2)(v) of the Listing Rules and no other matters relating to Mr. Lo's re-election which needs to be brought to the attention of the Shareholders.

REFRESHMENT OF LIMIT OF SHARE OPTION SCHEME

At the annual general meeting of the Company which was held on 21 September 2012, an ordinary resolution was passed by the Shareholders to approve the adoption of the Share Option Scheme.

Under the Share Option Scheme, the Directors were authorised to grant Share Options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme. The Company may grant Share Options of up to the Scheme Limit, i.e. 10% of the number of Shares in issue as at the date of the passing of the resolution approving the Share Option Scheme.

The original Scheme Limit is 370,977,308 Shares (being 10% of the number of Shares in issue, i.e. 3,709,773,088 Shares on 21 September 2012). At the annual general meeting of the Company which was held on 15 September 2017, the Shareholders approved to refresh the Scheme Limit to 482,125,176 Shares (being the 10% of the number of Shares in issue, i.e. 4,821,251,762 Shares on 15 September 2017).

There were 455,000,000 Share Options granted on 16 May 2019, out of which 98,550,000 Share Options have lapsed. As at the Latest Practicable Date, there were 356,450,000 Share Options outstanding, representing approximately 5.57% of the total issued share capital of the Company as at the Latest Practicable Date.

No Share Options were granted during the period after the Share Option Scheme was adopted on 21 September 2012 and before the Scheme Limit was refreshed for the first time in September 2017.

Details of the use of the Scheme Limit after it was refreshed for the first time in September 2017 as at the Latest Practicable Date are as follows:

Categories of participants	Date of grant	Exercise price (HK\$ per Share)	Number of Share Options granted	Status of those Share Options granted
Employees	16 May 2019	0.083	407,000,000	356,450,000 Share Options were outstanding and exercisable and 50,550,000 Share Options lapsed
Consultant <i>(note)</i>	16 May 2019	0.083	48,000,000	Lapsed

LETTER FROM THE BOARD

Note: In 2019, the Group intended to expand its financial service business and to provide more value-added services for its clients. The Consultant is an individual who had extensive experience in financial sector. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Consultant is an independent third party and has no relationship with the Company's connected persons. The Directors considered that the Consultant was able to demonstrate a good understanding of the business plan of the Group and offer valuable advice to the Company in its business expansion. As a result, the Company entered into a consultancy agreement with the Consultant for a term of one year, pursuant to which the Consultant would provide advice and counsel regarding the financial service business development of the Group. In return of the services provided by the Consultant, the Company agreed to grant the Share Options to the Consultant. The Directors were of the view that granting of Share Options to the Consultant, instead of cash payment of the consultancy fee, would have less impact on the cash flow of the Group and would provide better incentive to the Consultant. As at the Latest Practicable Date, the consultancy agreement has been expired and the relevant Share Options have lapsed in accordance to the terms of the Share Option Scheme accordingly. The Consultant has no continuing relationship with the Group and its connected persons since the lapse of the last agreement and up to the Latest Practicable Date.

As at the Latest Practicable Date, out of the Scheme Limit of 482,125,176 Shares, 455,000,000 Share Options had been granted. To enable the Company to grant further options to Eligible Persons, the Company proposes to refresh the Scheme Limit to 10% of the issued share capital of the Company as at the date of the resolution to approve the limit.

Apart from the Share Option Scheme, the Company has no other share option scheme(s) currently in force.

If the refreshment of the Scheme Limit is approved at the AGM, based on the 6,394,046,829 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be allotted and issued and no Shares will be bought back after the Latest Practicable Date and up to the date of the AGM, the Company will be allowed to grant options under the Share Option Scheme for subscription of up to a total of 639,404,682 Shares, representing 10% of the number of Shares in issue as at the date of the AGM.

As at Latest Practicable Date, the Company has no current plan to grant further Share Options under the refreshed Scheme Limit contemplated in this circular.

The maximum number of Shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) for time being of the Company must not, in aggregate, exceed 30% of the number of Shares in issue from time to time. The Directors consider that the refreshment of the Scheme Limit is in the interests of the Company and the Shareholders as a whole because it enables the Company to reward and motivate the Eligible Persons under the Share Option Scheme.

The refreshment of the Scheme Limit is conditional upon:

1. the passing of the relevant ordinary resolution at the AGM; and
2. the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of the options which may be granted under the Scheme Limit as refreshed and any other scheme(s) of the Company up to 10% of the number of Shares in issue as at the date of passing the ordinary resolution at the AGM.

LETTER FROM THE BOARD

Details of the proposed refreshment of the Scheme Limit are set out in resolution 5 of the notice of AGM.

Application will be made to the Stock Exchange for the listing of, and the permission to deal in, the Shares which fall to be issued upon the exercise of any Share Options that may be granted pursuant to the Share Option Scheme under the proposed refreshment of the Scheme Limit.

EFFECT OF THE PROPOSED SHARE CONSOLIDATION

References are made to the announcements of the Company dated 17 July 2020 and 28 July 2020 in relation to the Company's proposal that every ten (10) existing Shares in the share capital of the Company will be consolidated into one (1) consolidated Share. If the Share Consolidation is approved by the Shareholders, with effect from the effective date of the Share Consolidation, (i) the maximum number of Shares which the Company can issue pursuant to the general mandate to issue Shares will be adjusted from 1,278,809,365 Shares to 127,880,936 Shares; (ii) the maximum number of Shares which the Company can repurchase pursuant to the general mandate to repurchase Shares will be adjusted from 639,404,682 Shares to 63,940,468 Shares; and (iii) the refreshed Scheme Limit will be adjusted from 639,404,682 Shares to 63,940,468 Shares.

The refreshment of the Scheme Limit and the Share Consolidation are two independent events and are not conditional on each other. If the Shareholders approve the refreshment of the Scheme Limit, the Company will proceed with the refreshment of the Scheme Limit whether or not the resolution relating to the Share Consolidation is passed by the Shareholders and vice versa.

ANNUAL GENERAL MEETING

You will find on pages 13 to 19 of this circular a notice of the AGM to be held at 11:00 a.m. on 24 September 2020 at 28/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published at the website of the Stock Exchange at <http://www.hkexnews.hk>. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited, at Level 54, 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. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the proxy shall be deemed to be revoked.

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement of the results of the AGM will be made by the Company after the AGM.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company for the AGM will be closed from 21 September 2020 to 24 September 2020, both dates inclusive, during which no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM or any adjournment thereof, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the share registrar of the Company, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 18 September 2020.

In order to be entitled to attend and vote at the AGM, the Warrant Holders must exercise their subscription rights attaching to the Warrants by lodging with share registrar of the Company the subscription forms and subscription monies not later than 4:30 p.m. on 18 September 2020.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, this circular is accurate and complete in all material respects, and there are no facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the granting to the Directors of general mandates to issue Shares and repurchase Shares, the re-election of the retiring Directors and the refreshment of the limit of the Share Option Scheme are in the interests of the Company and its shareholders and so recommend you to vote in favour of all resolutions at the AGM.

Yours faithfully,
By order of the Board
Styland Holdings Limited
Li Hancheng
Non-Executive Chairman

NOTICE OF ANNUAL GENERAL MEETING



STYLAND HOLDINGS LIMITED

大凌集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

(Warrant Code: 1435)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of Styland Holdings Limited (the “Company”) will be held at 28/F, Aitken Vanson Centre, 61 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong on 24 September 2020 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditor for the year ended 31 March 2020.
2. To re-elect directors and to authorise the board of directors to fix their remuneration.
3. To appoint auditor(s) and to authorise the board of directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

A. “**THAT:**

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

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to a Rights Issue (as hereinafter defined) or scrip dividend scheme or similar arrangement of the Company or the exercise of the subscription rights under the share option scheme of the Company shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in a general meeting; and

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

B. “THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval be limited accordingly; and

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(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in a general meeting.”

C. “**THAT** conditional upon resolution nos. 4A and 4B above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors as mentioned in resolution no. 4B above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no. 4A above provided that such additional amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this resolution.”

5. “**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, the Shares to be issued pursuant to the exercise of any options to be granted under the Refreshed Scheme Limit (as defined below), the refreshment of the limit in respect of the granting of share options under the share option scheme of the Company adopted on 21 September 2012 (the “**Share Option Scheme**”), up to a new 10% limit (the “**Refreshed Scheme Limit**”) be approved provided that:

- (i) the total number of Shares which may be issued upon exercise of options to be granted under the Share Option Scheme on or after the date of the passing of this resolution (the “**Refreshed Date**”), together with all options to be granted under any other share option scheme(s) of the Company on or after the Refreshed Date, must not exceed 10% of the number of Shares in issue as at the Refreshed Date; and

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- (ii) options granted prior to the Refreshed Date under the Share Option Scheme or any other share option scheme(s) of the Company (including, without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme or such other scheme(s) of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Limit, and the Directors be and are hereby authorised to grant options under the Share Option Scheme up to the Refreshed Scheme Limit and to exercise all the powers of the Company to allot, issue and deal with Shares pursuant to the exercise of such options and to do such acts and execute such documents for or incidental to such purpose.”

By order of the Board
Styland Holdings Limited
Wang Chin Mong
Company Secretary

Hong Kong, 24 August 2020

Registered office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

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

28th Floor, Aitken Vanson Centre
61 Hoi Yuen Road
Kwun Tong
Kowloon
Hong Kong

Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he/she/it so wish and in such event, the proxy shall be deemed to be revoked.
3. The register of members of the Company for the AGM will be closed from 21 September 2020 to 24 September 2020, both dates inclusive, during which no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM or any adjournment thereof, all transfers of Shares accompanied

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by the relevant share certificates and transfer forms must be lodged with the share registrar of the Company, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 18 September 2020.

In order to be entitled to attend and vote at the AGM, the Warrant Holders must exercise their subscription rights attaching to the Warrants by lodging with share registrar of the Company the subscription forms and subscription monies not later than 4:30 p.m. on 18 September 2020.

4. In the case of joint holders of Shares, any one of such holders may vote at the annual general meeting, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the annual general meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
5. Delivery of an instrument appointing a proxy should not preclude a member of the Company from attending and voting in person at the AGM or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. A form of proxy for use at the AGM is enclosed together with this circular.
7. **BAD WEATHER ARRANGEMENTS:**

The AGM will be held on 24 September 2020 as scheduled regardless of whether or not an amber or red rainstorm warning signal is in force in Hong Kong at any time on that day. However, if a black rainstorm warning signal or a tropical cyclone warning signal no. 8 or above is in force in Hong Kong at 9:00 a.m. on 24 September 2020, the AGM will not be held on that day but will be automatically postponed.

The Company will post an announcement on the website of the Company at www.styland.com and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify the Shareholders of the date, time and place of the rescheduled meeting.

Shareholders should make their own decision as to whether they would attend the AGM under bad weather conditions having regard to their own situation and if they should choose to do so, they are advised to exercise care and caution.

8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

The holding of the AGM in order to comply with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the bye-laws of the Company could potentially create a significant risk in terms of the spread of the Novel Coronavirus (the “COVID-19”) pandemic because of large crowds coming together.

To reduce the risk of spreading the COVID-19 pandemic and for the health and safety of the attendees of the AGM, the Company wishes to remind the shareholders of the Company (“Shareholders”) and their proxies as follows:

No attendance

Those individual Shareholders who have any symptoms of upper respiratory system diseases or are under any quarantine requirements are advised not to attend the AGM in person.

Not later than 48 hours before the time of the AGM

For the health and safety of the Shareholders, the Company would like to encourage the Shareholders to exercise their right to vote at the AGM by appointing the chairman of the AGM as their proxy instead of attending the AGM in person. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof should they subsequently so wish. Shareholders may appoint the chairman of the AGM to attend and vote on their behalf by completing and depositing the forms of proxy enclosed with the circular with the Company’s branch share registrars in Hong Kong below:

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen’s Road East, Hong Kong

At the venue of the AGM

Due to the recent development of the epidemic COVID-19 and the heightened requirements for prevention and control of its spread, the Company will implement the following precautionary measures at the principal place of meeting of the AGM against the epidemic to protect the attending Shareholders, staff and other stakeholders from the risk of infection:

1. compulsory body temperature check will be conducted for every Shareholder, proxy and other attendee at the entrance of the venue of the AGM. Any person with a body temperature of over 37.0 degrees Celsius or is exhibiting flu-like symptoms will not be admitted to the venue of the AGM;

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2. every Shareholder, proxy or other attendee is required to (a) fill in health declaration form with information including travelling record and health condition; and (b) wear surgical facial mask throughout the meeting. Any person who refuses to follow the aforesaid will not be admitted to the venue of the AGM;
3. every Shareholder, proxy or other attendee who has travelled from jurisdictions, which according to the Department of Health of Hong Kong would render such person subject to a quarantine order, within 14 days of the date of AGM will not be admitted to the venue of the AGM;
4. no refreshments and souvenirs will be served; and
5. the management will be available either in person or through video conference facilities to host the AGM and answer questions from Shareholders.

To the extent permitted under law, the Company reserves the right to deny entry into the venue of AGM or require any person to leave the venue of the AGM in order to ensure the safety of the attendees at the AGM.

Due to the constantly evolving COVID-19 pandemic situation, the Company may be required to change the AGM arrangements at short notice. Shareholders are advised to check the website of the Stock Exchange and the Company's website for future announcements and updates on the AGM arrangements.

As at the date of this notice, the executive directors of the Company are Mr. Cheung Hoo Win, Mr. Ng Yiu Chuen and Ms. Mak Kit Ping and the independent non-executive directors are Mr. Li Hancheng, Mr. Yeung Shun Kee and Mr. Lo Tsz Fung Philip