
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in SSY Group Limited (the “Company”), you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission.

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石四藥集團有限公司 SSY Group Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2005)

PROPOSALS FOR GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF RETIRING DIRECTORS, DECLARATION OF FINAL DIVIDEND AND NOTICE OF ANNUAL GENERAL MEETING

The notice convening the annual general meeting (“AGM”) of the Company to be held at 2:00 p.m. on 22 May 2020 at Rooms 4902-03, 49th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong is set out on pages 17 to 21 of this circular. A form of proxy for the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so desire.

PRECAUTIONARY MEASURES FOR ANNUAL GENERAL MEETING

Please see page 8 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the AGM, including:

- compulsory body temperature checks
- recommended wearing of a surgical face mask for each attendee
- no distribution of corporate gift or refreshment

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

21 April 2020

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 2:00 p.m. on 22 May 2020 at Rooms 4902-03, 49th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
“AGM Notice”	the notice convening the AGM as set out on pages 16 to 20 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	SSY Group Limited (石四藥集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	15 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share Option Scheme”	the share option scheme adopted on 20 September 2012

DEFINITIONS

“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent

LETTER FROM THE BOARD



石四藥集團有限公司 SSY Group Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2005)

Executive Directors:

Mr. Qu Jiguang (*Chairman*)

Mr. Wang Xianjun

Mr. Su Xuejun

Non-executive Director:

Mr. Feng Hao

Independent Non-executive Directors:

Mr. Wang Yibing

Mr. Leung Chong Shun

Mr. Chow Kwok Wai

Registered Office:

Cricket Square

Hutchins Drive, P.O. Box 2681 GT

Grand Cayman KY1-1111

Cayman Islands

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

Room 4902-03, 49th Floor,

Central Plaza,

18 Harbour Road, Wanchai

Hong Kong

21 April 2020

To the Shareholders and, for information only, holders of share options

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to proposed at the AGM relating to:

- (i) the grant of the Issue Mandate and the Repurchase Mandate to the Directors to issue new Shares and repurchase Shares;

LETTER FROM THE BOARD

- (ii) the re-election of retiring Directors; and
- (iii) declaration and payment of a final dividend.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The Company proposes to obtain shareholders' approval as ordinary resolutions at the AGM, to grant to the Directors a general mandate to allot, issue and deal with the Shares up to a maximum of 20% of the aggregate number of Shares in issue as at the date of passing of the resolution as set out in Resolution 6A of the AGM Notice ("Issue Mandate") and a general mandate to repurchase Shares up to a maximum of 10% of the aggregate number of Shares in issue as at the date of passing of the resolution as set out in Resolution 6B of the AGM Notice ("Repurchase Mandate"). Subject to the passing of the proposed ordinary resolution approving the Issue Mandate and assuming no further Shares will be issued or allotted by the Company prior to the AGM, the exercise of the Issue Mandate in full would result in the issue of up to a maximum of 606,465,077 Shares, representing 20% of the total number of Shares in issue as at the date of passing of the resolution. In addition, the resolution authorising the extension of the Issue Mandate to the Directors to issue Shares to include the aggregate number of such Shares (if any) repurchased under the Repurchase Mandate (up to a maximum of 10% of the aggregate number of Shares in issue as at the date of passing the resolution) as set out in Resolution 6C of the AGM Notice will be proposed at the AGM.

With respect to Resolution 6A of the AGM Notice regarding the Issue Mandate, the Directors wish to state that they have no immediate plans to issue and allot any new Shares. Approval is being sought from the Shareholders as a general mandate for the purposes of the Listing Rules.

With respect to the Resolution 6B of the AGM Notice regarding the Repurchase Mandate, the Directors wish to state that they have no immediate plans to repurchase any existing Shares.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against Resolution 6B to be proposed at the AGM in relation to the proposed Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board consisted of 7 Directors, namely Mr. Qu Jiguang, Mr. Wang Xianjun, Mr. Su Xuejun, Mr. Feng Hao, Mr. Wang Yibing, Mr. Leung Chong Shun and Mr. Chow Kwok Wai.

Pursuant to Article 87 of the Company's articles of association, Mr. Wang Xianjun, Mr. Su Xuejun and Mr. Chow Kwok Wai will retire from office by rotation in the AGM. All of them, being eligible, offer themselves for re-election in the AGM.

Further pursuant to Appendix 14 to the Listing Rules, it is recommended that serving more than nine years could be relevant to the determination of a non-executive Director's independence. If an independent non-executive Director serves more than nine years, any further appointment of such independent non-executive Director should be subject to a separate resolution to be approved by shareholders.

Mr. Chow Kwok Wai has served on the Board for more than 9 years but he has never held any executive or management position in the Group nor has he throughout such period been under the employment of any member of the Group. The Directors noted the positive contributions of Mr. Chow Kwok Wai to the development of the Company's strategy and policies through independent, constructive and informed contributions supported by his skills, experiences and qualifications and from their participations at meetings. Mr. Chow Kwok Wai has given the annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules to the Company. Also, the Nomination Committee of the Company regularly reviewed the composition of the Board which includes independent non-executive directors and considered it appropriate. Hence, the Board considers that the long services of Mr. Chow Kwok Wai would not affect his exercise of independent judgments, and therefore considers Mr. Chow Kwok Wai to be independent and recommends Mr. Chow Kwok Wai to be re-elected.

At the AGM, ordinary resolutions will be put forward to the Shareholders in relation to the proposed re-election of Mr. Wang Xianjun and Mr. Su Xuejun as executive Directors of the Company as well as Mr. Chow Kwok Wai as independent non-executive Director of the Company. Pursuant to Rule 13.74 of the Listing Rules, details of the retiring Directors are set out in Appendix II to this circular.

LETTER FROM THE BOARD

FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

As stated in the announcement issued by the Company dated 30 March 2020 relating to the annual results of the Group for the year ended 31 December 2019, the Board recommended the declaration and the payment of a final dividend of HK\$0.06 per share for the year ended 31 December 2019 out of the Company's retained earnings first, followed by the share premium account, to Shareholders whose names appear on the register of members of the Company on 27 May 2020. The proposed final dividend is subject to approval by the Shareholders as an ordinary resolution at the AGM as set out in Resolution 5 of the AGM notice. If the Resolution 5 of the AGM Notice is passed at the AGM, the proposed final dividend will be payable on 9 June 2020 to Shareholders whose name appear on the register of members of the Company at the close of business on 27 May 2020.

The register of members of the Company will be closed from Tuesday, 19 May 2020 to Friday, 22 May 2020, both dates inclusive, during which period, no transfer of shares will be registered. In order to qualify to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m., Monday, 18 May 2020.

In order to qualify for the proposed final dividend to be approved at the AGM, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m., Wednesday, 27 May 2020.

AGM

The AGM Notice is set out on pages 17 to 21 of this circular. At the AGM, resolutions will be proposed to Shareholders to consider and, if thought fit, approve, among other things, the resolutions proposed in this circular. A form of proxy for the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so desire.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to Rule 13.39(4) of the 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 at the AGM. The result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded or required and the poll results will be published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.ssygroup.com.hk).

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.

RECOMMENDATION

The Directors believe that: (i) the Repurchase Mandate, the Issue Mandate and the extension of the Issue Mandate; (ii) the re-election of retiring Directors and (iii) the declaration and the payment of the final dividend are in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favour of all the resolutions set out in the AGM Notice.

Yours faithfully,
For and on behalf of the Board
SSY Group Limited
Qu Jiguang
Chairman

PRECAUTIONARY MEASURES FOR ANNUAL GENERAL MEETING

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

- (i) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.5 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.
- (iv) Each attendee may be asked whether he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to the question may be denied entry into the meeting venue or be required to leave the meeting venue.

In addition, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the AGM in person, by completing and return the proxy form attached to this circular.

If any Shareholder has any question relating to the AGM, please contact Computershare Hong Kong Investor Services Limited, the Company's share registrar as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong
Email: hkinfo@computershare.com.hk
Tel: 2862 8555
Fax: 2865 0990

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the Company had 3,032,325,385 Shares in issue. Subject to the passing of the resolution granting the proposed mandate to repurchase its Shares and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 303,232,538 Shares, representing 10% of the issued share capital of the Company as at the date of passing of the resolution, during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS FOR REPURCHASES OF THE COMPANY

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

FUNDING OF REPURCHASES

Any repurchase of Shares of the Company made pursuant to the proposed Repurchase Mandate would be made out of funds which are legally available for the purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. Under the law of the Cayman Islands, repurchases by the Company may only be made out of the funds of the Company which are legally available for such purpose or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or, subject to the statutory test of solvency, out of capital. The premium, if any, payable on the repurchase, shall be provided for out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, subject to the statutory test of solvency, out of capital.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and the Shareholders and in circumstances where they consider that the Shares can be repurchased on terms favourable to the Company. The Directors do not propose to exercise the mandate to repurchase Shares 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.

UNDERTAKING/INTENTION

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their associates currently intend to sell Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders at the AGM.

No core connected persons of the Company, as defined in the Listing Rules, has notified the Company that he has a present intention to sell Shares held by them to the Company, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

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. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the following Shareholders are interested in 5% or more of the issued Shares as recorded in the register of interests and short positions of the Company under section 336 of the SFO:

Name of Shareholder	Long/short position	Number of shares held	Approximate percentage of Shareholding as at the Latest Practicable Date
Mr. Qu Jiguang	Long	991,830,000 <i>(Note 1)</i>	32.71%
	Long	32,000,000 <i>(Note 2)</i>	1.05%
China Pharmaceutical Company Limited <i>(Note 1)</i>	Long	746,084,000	24.61%
Sichuan Kelun Pharmaceutical Co., Ltd (四川科倫藥業股份有限公司)	Long	446,852,000 <i>(Note 3)</i>	14.74%
	Long	159,870,000	5.27%
Kelun International Development Co., Ltd (科倫國際發展有限公司) <i>(Note 3)</i>	Long	446,852,000	14.74%
UBS Group AG	Long	260,766,824	8.60%

Notes:

- Among the 991,830,000 shares, 746,084,000 shares were registered in the name of and beneficially owned by China Pharmaceutical Company Limited (“CPCL”). CPCL is held as to 72.93% by Mr. Qu Jiguang and as to 27.07% by other shareholders. By virtue of Part XV of the SFO, Mr. Qu Jiguang is deemed to be interested in the shares held by CPCL. In the event that the above Shareholders did not dispose of their Shares and if the Repurchase Mandate was exercised in full, Mr. Qu Jiguang’s shareholding would have an annual increment of over 2% of the issued share capital of the Company and he would be required to make a offer under the Takeovers Code. However, the Directors, including Mr. Qu Jiguang, have no present intention to exercise the mandate granted under the Repurchase Mandate to an extent as may result in any mandatory offer being made under the Takeovers Code or may result in less than 25% of the issued share capital of the Company being held by the public.
- These shares represent the underlying interest in shares of the Company pursuant to the number of share options outstanding which were granted to Mr. Qu Jiguang on 15 April 2016 under the Share Option Scheme.
- These shares were registered in the name of and beneficially owned by Kelun International Development Co., Ltd (科倫國際發展有限公司). Kelun International Development Co., Ltd (科倫國際發展有限公司) is held as to 100% by Sichuan Kelun Pharmaceutical Co., Ltd (四川科倫藥業股份有限公司).

SHARE PRICE

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

	Price Per Share	
	Highest (HK\$)	Lowest (HK\$)
2019		
March	7.58	6.63
April	7.97	7.05
May	7.75	6.00
June	7.17	5.83
July	7.48	6.66
August	7.43	5.81
September	7.22	6.14
October	6.60	5.75
November	6.99	6.12
December	6.60	5.85
2020		
January	8.40	6.21
February	9.00	6.50
March	6.96	4.89
April (up to the Latest Practicable Date)	6.40	5.58

SHARE REPURCHASE MADE BY THE COMPANY

During the previous six months from the Latest Practicable Date, which is the period from 16 October 2019 to 15 April 2020, the Company repurchased a total of 2,700,000 Shares at an aggregate consideration of HK\$15,963,000 on the Stock Exchange. Details of the repurchases of such Shares are as follows:

Date of the purchases	Total number of the ordinary shares purchased	Highest price paid per share (HK\$)	Lowest price paid per share (HK\$)	Aggregate consideration (HK\$)
23 October 2019	600,000	5.95	5.87	3,567,000
9 December 2019	1,100,000	5.99	5.94	6,585,000
1 April 2020	<u>1,000,000</u>	5.94	5.67	<u>5,811,000</u>
	<u><u>2,700,000</u></u>			<u><u>15,963,000</u></u>

Save as disclosed above, there was no repurchase by the Company, or any of its subsidiaries, of any listed securities of the Company during the last six months from the Latest Practicable Date.

LIST OF DIRECTORS FOR RE-ELECTION

The biographical and other details of the Directors standing for re-election at the AGM are set out below.

Mr. Wang Xianjun (王憲軍先生), aged 57, an executive director. Mr. Wang has nearly 30 years of experience in the pharmaceutical industry and is responsible for investor relations and public relations affairs of the Group. Mr. Wang joined Shijiazhuang Pharmaceutical Group in 1987 and became the deputy chief engineer in 1989 and a director in 1993. Mr. Wang was the executive director and vice-chairman of China Pharmaceutical Group Limited, a company whose shares are listed on the Main Board of the Stock Exchange, from May 1994 to December 2002. Mr. Wang graduated from Beijing Chemical Engineering College with a Master's degree in Engineering in 1987. He joined the Group in July 2004 and was appointed as general manager of the Company in December 2004. As at the Latest Practicable Date, Mr. Wang held 24,416,000 shares of the Company (long position) which represented approximately 0.81% shareholding of the Company.

Save as disclosed above, Mr. Wang did not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor did he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date. He entered into an appointment agreement with the Company for a term of three years commencing from 25 September 2018 and his current basic annual salary is HK\$2,016,000. His emoluments are determined by the Board with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities within the Group and his contribution to the Group. Mr. Wang has not held directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Wang is not aware of any matters that need to be brought to the attention of the holders of securities of the Company.

APPENDIX II DETAILS OF RETIRING DIRECTORS TO BE RE-ELECTED

Mr. Su Xuejun (蘇學軍先生), aged 52, an executive director. Mr. Su is currently the chairman of the Board of Shijiazhuang No. 4 Pharma, the Company's indirectly wholly-owned subsidiary. Mr. Su focuses in the pharmaceutical market development, operations and management. He has extensive understanding and experience in sales and marketing as well as the policy in pharmaceutical related industries. Mr. Su joined No.1 Pharma as assistant to factory manager in 1990. And afterwards he served as deputy general manager of a subsidiary of the Shijiazhuang Pharmaceutical Group selling preparations, deputy general manager of Shijiazhuang No.4 Pharma and general manager of Shijiazhuang No.4 Pharma. Since January 2007, Mr. Su acts as executive director of Shijiazhuang No.4 Pharma and New Orient. He is currently a Representative of the 13th People's Congress of Hebei Province (河北省第十三屆人民代表大會代表). Mr. Su graduated from Hebei Normal University, majoring in biology, with a bachelor's degree. As at the Latest Practicable Date, Mr. Su held 24,416,000 shares of the Company (long position) which represented approximately 0.81% shareholding of the Company.

Save as disclosed above, Mr. Su did not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor did he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date. He entered into an appointment agreement with the Company for a term of three years commencing from 15 December 2017 and his current basic annual salary is HK\$1,150,000. His emoluments are determined by the Board with reference to the prevailing market practice, the Company's remuneration policy, his duties and responsibilities within the Group and his contribution to the Group. Mr. Su has not held directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Su is not aware of any matters that need to be brought to the attention of the holders of securities of the Company.

APPENDIX II DETAILS OF RETIRING DIRECTORS TO BE RE-ELECTED

Mr. Chow Kwok Wai (周國偉先生), aged 53, an independent non-executive Director. Mr. Chow is currently a non-executive director of Cinda International Holdings Limited (stock code: 111), a company listed on the Stock Exchange. He served as an executive director of Silver Grant International Holdings Group Limited (stock code: 171) from April 2004 to December 2012 and an independent non-executive director of Youyuan International Holdings Limited (stock code: 2268) (“Youyuan”), a company incorporated in the Cayman Islands with limited liability, from May 2010 to October 2019. Youyuan and its subsidiaries are principally engaged in manufacturing and trading of wrapping tissue paper, wall paper products, copy paper and other products. On 4 October 2019, The Hongkong and Shanghai Banking Corporation Limited filed a winding-up petition against Youyuan in Hong Kong. Joint and several provisional liquidators of Youyuan were appointed on 18 October 2019. The hearing date of the winding-up petition is still pending. Mr. Chow confirmed that he was not involved in the incidents giving rise to Youyuan’s winding-up petition and, so far as he is aware, there was no wrongful act on his part leading to the petition. To Mr. Chow’s understanding after enquiries, the amount involved under the petition appears to be around HK\$2.6 billion. For the avoidance of doubt, Youyuan’s winding-up petition is not related to SSY Group Limited and its subsidiaries. Mr. Chow has worked in Price Waterhouse, which is now known as PriceWaterhouseCoopers, and has accumulated valuable audit experience there. Mr. Chow has nearly 30 years of experience in accounting, financial management and corporate finance. Mr. Chow received his bachelor degree in Social Sciences from the University of Hong Kong in 1990. Mr. Chow is a Fellow member of the Association of Chartered Certified Accountants and a Fellow CPA of the Hong Kong Institute of Certified Public Accountants. He is also a Certified Tax Adviser and a Fellow member of the Taxation Institute of Hong Kong.

Save as disclosed above, Mr. Chow did not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor did he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date. He entered into an appointment agreement with the Company for a term of three years commencing from 16 October 2017 and his current annual director’s fee is HK\$228,000. His emoluments are determined by the Board with reference to the prevailing market practice, the Company’s remuneration policy, his duties and responsibilities within the Group and his contribution to the Group. Saved as disclosed above, Mr. Chow has not held directorships in any other listed public companies in the last three years. Mr. Chow is not aware of any matters that need to be brought to the attention of the holders of securities of the Company.

For all of the above Directors, save as disclosed above, there is no information to be disclosed pursuant to any of the requirements under Rules 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



石四藥集團有限公司 SSY Group Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2005)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “Meeting”) of SSY Group Limited (the “Company”) will be held at 2:00 p.m. on 22 May 2020 at Rooms 4902-03, 49th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and of the independent auditor for the year ended 31 December 2019.
2.
 - A. To re-elect Mr. Wang Xianjun as an executive Director of the Company.
 - B. To re-elect Mr. Su Xuejun as an executive Director of the Company.
 - C. To re-elect Mr. Chow Kwok Wai as an independent non-executive Director of the Company.
3. To authorise the board of Directors of the Company (the “Directors”) to fix the Directors’ remuneration.
4. To re-appoint KPMG as auditor of the Company and to authorise the Directors to fix its remuneration.
5. To consider and, if thought fit, pass the following ordinary resolution of the Company:

“**THAT** the Company be and is hereby authorised to declare and pay a final dividend of HK\$0.06 per share for the year ended 31 December 2019 out of the Company’s retained earnings first, followed by the share premium account, to the shareholders of the Company.”
6. As special business to consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions of the Company:

NOTICE OF ANNUAL GENERAL MEETING

A. “THAT:

- (a) subject to paragraph (c) of this Resolution, and pursuant to the Rules Governing the Listing of Securities on the Stock Exchange, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company (the “Shares”) and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval given in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire Shares; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company,

shall not exceed 20 per cent of the aggregate number of Shares in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors 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 may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

B. “**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own Shares on the Stock Exchange subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate number of Shares in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by way of ordinary resolution of the shareholders of the Company in general meeting.”

- C. “**THAT**, conditional upon the passing of the Resolutions 6A and 6B in the notice convening the Meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional Shares of the Company pursuant to Resolution 6A as set out in the notice convening the Meeting be and is hereby extended by the addition thereto an amount representing the aggregate number of Shares repurchased by the Company under the authority granted pursuant to Resolution 6B as set out in the notice convening the Meeting provided that such amount shall not exceed 10 per cent of the aggregate number of Shares in issue as at the date of the passing of this Resolution.”

By order of the Board
Chow Hing Yeung
Company Secretary

Hong Kong, 21 April 2020

Notes:

1. Any member entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote instead of him/her. A member who is the holder of two or more Shares may appoint more than one proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be delivered to the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

3. The register of members of the Company will be closed from Tuesday, 19 May 2020 to Friday, 22 May 2020, both dates inclusive, during which period, no transfer of shares will be registered. In order to qualify to attend and vote at the Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m., Monday, 18 May 2020.

In order to qualify for the proposed final dividend to be approved at the Meeting, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m., Wednesday, 27 May 2020 which is the Record Date for the proposed final dividend.

4. Where there are joint holders of any Share, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting 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 in respect of the joint holding.
5. In order to facilitate the prevention and control of the epidemic and to safeguard the health and safety of the Shareholders, the Company encourages that the Shareholders to consider appointing the chairman of the Meeting as his/her proxy to vote on the relevant resolution at the Meeting, instead of attending the Meeting in person.
6. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 12:00 noon on the date of the Meeting, the meeting will be postponed. The Company will post an announcement on the Company's website (www.ssygroup.com.hk) and HKExnews website (www.hkexnews.hk) to notify Shareholders of the date, time and place of the rescheduled meeting.
7. An explanatory statement regarding the general mandate of the repurchase of Shares sought in the above Resolution 6B is set out in Appendix I to the circular of the Company dated 21 April 2020.
8. Please refer to Appendix II to the circular of the Company dated 21 April 2020 for the details of the retiring Directors subject to re-election at the Meeting.
9. As at the date of this notice, the executive Directors are Mr. Qu Jiguang, Mr. Wang Xianjun, Mr. Su Xuejun, the non-executive Director is Mr. Feng Hao and the independent non-executive Directors are Mr. Wang Yibing, Mr. Leung Chong Shun and Mr. Chow Kwok Wai.