

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, 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 **Shanghai Pioneer Holding Ltd**, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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上海先鋒控股有限公司 Shanghai Pioneer Holding Ltd

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01345)

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

A notice convening the annual general meeting of Shanghai Pioneer Holding Ltd to be held at Conference Hall, 4/F, No. 15, Lane 88, Wuwei Road, Putuo District, Shanghai, PRC on Friday, 24 May 2024 at 10:00 a.m. is set out on pages 18 to 23 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (<http://www.pioneer-pharma.com>).

Whether or not you are able to attend the annual general meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar 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 but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting (i.e. before 10:00 a.m. on Wednesday, 22 May 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the annual general meeting or any adjourned meeting thereof if they so wish.

30 April 2024

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Conference Hall, 4/F, No. 15, Lane 88, Wuwei Road, Putuo District, Shanghai, PRC on Friday, 24 May 2024 at 10:00 a.m., or any adjournment thereof and notice of which is set out on pages 18 to 23 of this circular
“Articles of Association”	the articles of association of the Company
“Audit Committee”	the audit committee of the Company
“BDO”	BDO Limited
“Board”	the board of Directors
“Companies Act”	the Companies Act, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Company”	Shanghai Pioneer Holding Ltd (上海先鋒控股有限公司), an exempted company incorporated on 5 February 2013 with limited liability under the laws of the Cayman Islands, with its Shares listed on the Main Board of the Stock Exchange
“Deloitte”	Deloitte Touche Tohmatsu
“Director(s)”	the director(s) of the Company
“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

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with the Shares not exceeding 20 per cent of the number of the issued Shares as at the date of passing of the relevant resolution granting the issue mandate
“Latest Practicable Date”	25 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Memorandum and Articles of Association”	the memorandum of association of the Company and Articles of Association
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan Region
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10 per cent of the number of the issued Shares as at the date of passing of the relevant resolution granting the repurchase mandate
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.01 each
“Shareholder(s)”	the holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time
“US\$”	United States dollars, the lawful currency of the United States

In this circular, the terms “close associate(s)”, “core connected person(s)”, “controlling shareholder(s)”, “subsidiary(ies)” and “substantial shareholder(s)” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.



上海先鋒控股有限公司
Shanghai Pioneer Holding Ltd

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01345)

Executive Directors:

Mr. Li Xinzhou (*Chairman*)
Mr. Yang Yuewen
Mr. Zhang Quan

Non-executive Director:

Ms. Hu Mingfei

Independent Non-executive Directors:

Mr. Zhang Hong
Mr. Zhang Changhai
Mr. Lai Chanshu

Registered office:

One Nexus Way
Camana Bay
Grand Cayman KY1-9005
Cayman Islands

*Principal place of business
in Hong Kong:*

31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

30 April 2024

To the Shareholders

Dear Sir or Madam,

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

1. INTRODUCTION

The purpose of this circular is to give you the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (a) the grant to the Directors of the Issue Mandate and the Repurchase Mandate; (b) the re-election of the retiring Directors; (c) declaration of final dividend; and (d) proposed change of auditor.

LETTER FROM THE BOARD

2. ISSUE MANDATE

In order to ensure and give flexibility and discretion to the Directors in the event that it becomes desirable for the Company to issue any new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the Issue Mandate to issue Shares. At the Annual General Meeting, an ordinary resolution no. 9 will be proposed to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares not exceeding 20 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the issued Shares comprised 1,257,447,000 Shares. Subject to the passing of the ordinary resolution no. 9 and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue a maximum of 251,489,400 Shares.

In addition, subject to a separate approval of the ordinary resolution no. 11, the number of Shares repurchased by the Company under ordinary resolution no. 10 will also be added to extend the 20 per cent limit of the Issue Mandate as mentioned in the ordinary resolution no. 9 provided that such extended amount shall not exceed 10 per cent of the aggregate number of Shares in issue as at the date of passing the resolutions in relation to the Issue Mandate and the Repurchase Mandate. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Issue Mandate.

The Issue Mandate, if approved, will continue to be in force from the passing of the aforesaid resolutions until whichever of the following first occurs: (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 any applicable laws or the Articles of Association to be held; and (iii) the revocation or variation of the authority given under such ordinary resolution by an ordinary resolution of the Shareholders in general meeting.

3. REPURCHASE MANDATE

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate.

The Repurchase Mandate, if approved, will continue to be in force from passing of the said resolution until whichever of the following first occurs: (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 any applicable laws or the Articles of Association to be held; and (iii) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders in general meeting.

LETTER FROM THE BOARD

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

4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Articles of Association, the Directors being Mr. Li Xinzhou, Mr. Yang Yuewen and Mr. Zhang Hong shall retire by rotation and being eligible, have offered themselves for re-election as Directors at the Annual General Meeting.

In accordance with the Articles of Association, the Directors being Mr. Zhang Quan and Mr. Zhang Changhai shall retire from office as Directors and being eligible, have offered themselves for re-election as Directors at the Annual General Meeting.

Recommendations to the Board for the proposal for re-election of Mr. Zhang Changhai and Mr. Zhang Hong as independent non-executive Directors were made by the Nomination Committee, after having reviewed their biographical and background information (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge as set out in the board diversity policy of the Company). The Nomination Committee has also assessed the independence of Mr. Zhang Changhai and Mr. Zhang Hong by reference to the independence guidelines as set out in Rule 3.13 of the Listing Rules. Taking into account their previous contributions to the Board and the experience of Mr. Zhang Changhai (who has extensive experience in auditing and accounting) and Mr. Zhang Hong (who has a professional educational background in law, administrative management, enterprise management, and economic management, with extensive experience in safety governance), the Board is of the view that Mr. Zhang Changhai and Mr. Zhang Hong are both independent and their skills and experience will contribute to the Company and facilitate diversity of the Board, and accepted the recommendations from the Nomination Committee and recommended Mr. Zhang Changhai and Mr. Zhang Hong to stand for re-election by the Shareholders at the Annual General Meeting.

Details of the above retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

5. DECLARATION OF FINAL DIVIDEND

The Board recommends a final dividend for the year ended 31 December 2023 of HK\$0.024 per Share to the Shareholders whose names appear on the Company's register of members at the close of business on Thursday, 30 May 2024 (Hong Kong time). Subject to the Shareholders' approval of the final dividend at the Annual General Meeting: (i) the register of members of the Company will be closed from Thursday, 30 May 2024 to Monday, 3 June 2024 to determine the entitlement of the Shareholders to the final dividend. All transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare

LETTER FROM THE BOARD

Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 29 May 2024; and (ii) the final dividend will be paid on or around Wednesday, 19 June 2024.

6. PROPOSED CHANGE OF AUDITOR

Deloitte will retire as the auditor of the Company at the conclusion of the Annual General Meeting upon the expiration of its current term of office.

The Audit Committee and the Board are of the view that Deloitte has been the auditor of the Company since its listing in 2013, and the proposed change of auditor is beneficial to maintaining independence and objectivity of the auditor, consistent with good corporate governance practices and risk management and in the best interests of the Company and the Shareholders as a whole. The Board, with the recommendation of the Audit Committee, resolved to propose to the Shareholders at the Annual General Meeting to appoint BDO as the new auditor of the Company upon the retirement of Deloitte, which is subject to the approval of the Shareholders at the Annual General Meeting (BDO will complete its internal client acceptance procedure prior to the Annual General Meeting).

The Audit Committee has considered a number of factors for the appointment of BDO as the new auditor of the Company, including but not limited to (i) the audit proposal of BDO; (ii) its experience, industry knowledge and technical competence in providing audit work for companies listed on the Stock Exchange; (iii) its independence from the Group and objectivity; (iv) its market reputation and track record; and (v) its resources and capabilities including size and structure of the proposed audit team.

Deloitte has confirmed with the Company that there were no matters relating to its retirement that need to be brought to the attention of the Shareholders. The Board and the Audit Committee also confirmed that there was no disagreement between the Company and Deloitte or other matters relating to the proposed change of auditor that need to be brought to the attention of the Shareholders.

7. NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 18 to 23 of this circular is the notice of the Annual General Meeting containing the resolutions in relation to the abovementioned proposals. Shareholders whose names appear on the register of members of the Company at the close of business on Tuesday, 14 May 2024 (Hong Kong time) are eligible to attend the Annual General Meeting. The register of members of the Company will be closed from Tuesday, 14 May 2024 to Friday, 24 May 2024, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the Annual General Meeting. All transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, 13 May 2024 for registration.

LETTER FROM THE BOARD

8. FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.pioneer-pharma.com>). Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar 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 but 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 Shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof if they so wish.

9. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting (save for certain procedural or administrative matters) must be taken by poll. The chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of the Annual General Meeting be taken by way of poll pursuant to article 81 of the Articles of Association.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he is the holder. A Shareholder entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

As at the Latest Practicable Date, Mr. Li Xinzhou and his close associates, namely Ms. Wu Qian, Tian Tian Limited and Pioneer Pharma (BVI) Co., Ltd., who held 844,509,000 Shares in total, representing approximately 67.16% of the issued share capital of the Company, will abstain from voting on the resolution to re-elect Mr. Li Xinzhou as an executive Director.

10. 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.

LETTER FROM THE BOARD

11. RECOMMENDATION

The Directors consider that the proposed resolutions set out herein are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By Order of the Board
Shanghai Pioneer Holding Ltd
LI Xinzhou
Chairman

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

LI Xinzhou (李新洲), aged 61, is our chairman and executive Director. Mr. Li is the founder of the Group and joined Pioneer Pharma Shareholding Company Limited, our initial corporate entity, in July 1996 as its general manager and chairman, responsible for managing the operations and planning and formulating the Group's strategies. Mr. Li has over 30 years of experience in the pharmaceutical services industry. Under Mr. Li's leadership, our Group has received numerous awards and recognitions. Mr. Li is a director of Pioneer Pharma (BVI) Co., Ltd. and Tian Tian Limited, each being a substantial Shareholder of the Company.

Mr. Li has over 28 years of experience in international trading and management. Prior to joining the Group, Mr. Li worked at the Hainan branch of Sumitomo Corporation. From August 1984 to August 1988, Mr. Li worked as an English translator in China Offshore Oil Nanhai West Corporation (中海油南海西部公司) and from July 1981 to August 1984, he worked as an English teacher at Jiangnan Oil Field Dongfanghong High School (江漢油田東方紅學校). Mr. Li has also held various positions in trade associations. He was the vice chairman of the Hainan General Chamber of Commerce (海南省總商會) and the standing vice president of Hainan Hubei Chamber of Commerce (海南省湖北商會). He has also served as a member of the Chinese People's Political Consultative Conference Hainan Committee (海南省政協). Mr. Li graduated from Jiangnan Petroleum Normal School (江漢石油師範學校) with a diploma in English in July 1981. He also studied at the China Europe International Business School (中歐國際商學院). Mr. Li is also the chairman of the Nomination Committee.

Mr. Li has automatically renewed his service agreement with the Company for a term of one year commencing from 16 October 2023. Mr. Li is entitled to a fixed annual director's salary of HKD1,260,000 and bonus at the discretion of the Board, which was determined by the Board with reference to his qualifications, duties and responsibilities with the Group and the prevailing market conditions.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, the interests held by Mr. Li in the Shares were set out in Section 4 – TAKEOVERS CODE of Appendix II to this circular.

YANG Yuewen (楊悅文), aged 36, is our executive Director. Mr. Yang joined the Group in September 2016 and worked as product manager, marketing manager and the general manager of the AW business unit and was responsible for the promotion and sales of Alfa Sigma's products and NovaBay's products from September 2016 to January 2022. In January 2022, he was appointed as the chief operating officer of the Group. Prior to joining the Group, Mr. Yang worked at Novartis pharma limited and AstraZeneca pharma limited and was responsible for marketing in the CV area. Mr. Yang graduated from Jiangxi University of Chinese Medicine with a bachelor's degree in pharmaceutical engineering in June 2010 and graduated from Jiangxi University of Chinese Medicine with a master's degree in pharmaceutical chemistry in June 2013 (the major was a joint training program between China State Institute of Pharmaceutical Industry and Jiangxi University of Chinese Medicine).

Mr. Yang has entered into a service contract with the Company for a term of three years commencing from 16 September 2022 and his appointment is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association. Pursuant to the service contract, Mr. Yang is entitled to an annual director's salary of RMB720,000. Mr. Yang's remuneration was determined with reference to his duties and responsibilities in the Group and the market rate for the position.

ZHANG Quan (張權), aged 61, is our executive Director. Mr. Zhang started cooperation with the Group as a consultant of the dental business division in March 2020, and worked as the regional sales manager of the dental business division of the Group since March 2021. He was appointed as the general manager of the dental business division of the Group on 30 August 2021, in charge of the marketing and sales of Ivoclar Vivadent Zenostar (WIELAND ZENOSTAR) and Korea's DMAX series zirconia products, of which the dental business division is the agent. Mr. Zhang has been in the sales of dental-related materials since 1993, and from 1994 to 2020, he worked for Dentsply Dental (Tianjin) Trading Co., LTD, Soundwatch (Siemens) Hearing Services LTD, Sirona Dental Systems (Shanghai) Trading Co., LTD and Ivoclar Vivadent (Shanghai) Trading Co., LTD, having nearly 31 years of marketing/sales experience in dental business. Mr. Zhang graduated from Beijing Institute of Civil Engineering and Architecture with a major in Industrial and Civil Architecture in June 1986.

Mr. Zhang has entered into a service contract with the Company for a term of three years from 12 October 2023. Mr. Zhang will hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting in accordance with the Articles of Association. Pursuant to the service contract, Mr. Zhang is entitled to an annual director's salary of RMB240,000 and bonus at the discretion of the Board. Mr. Zhang's remuneration was determined with reference to his duties and responsibilities as a Director in the Group and the market rate for the position.

ZHANG Hong (張虹), aged 65, is our independent non-executive Director. Mr. Zhang joined our Group in January 2019. Mr. Zhang is an expert in public security governance. Prior to joining the Group, he served in a shipping organisation in the PRC for 38 years since 1980. He held various senior positions at such organisation, and was mainly responsible for handling legal matters and administration management. From 1982 to 1999, Mr. Zhang pursued his studies at Hubei University and other Institutions, and has a professional educational background in the areas of law, administrative management, corporate management, as well as economic management.

Mr. Zhang has renewed an appointment letter with the Company for a term of one year commencing from 1 January 2024. Pursuant to the appointment letter, Mr. Zhang is not entitled to any director's fee.

ZHANG Changhai (張長海), aged 50, is our independent non-executive Director. Mr. Zhang is a Professorate Senior Accountant, doctoral supervisor, Certified Public Accountant and a member of the Association of International Accountant (AIA). Mr. Zhang has nearly 30 years of working experience in the field of auditing and accounting, and was the 2022 National Accounting Advanced Worker (2022年全國會計先進工作者). He worked as a professor of accounting in the Management School and the deputy director of the Department of Accounting of Hainan University from January 2013 to September 2014; from October 2014 to May 2022, he worked as the deputy director and director of the Finance Office, professor of accounting and doctoral supervisor of Hainan University; from June 2022 to December 2023, he worked as the secretary of the Party Committee of Civil Engineering and Architecture School of Hainan University; and since December 2023, he worked as the professor of accounting and doctoral supervisor of International Business School of Hainan University. Mr. Zhang holds a bachelor's degree in economics and a master's degree in management and received a doctoral degree in management from Jinan University. Mr. Zhang has also participated in the continuous professional education for Certified Public Accountants every year since 2000.

Mr. Zhang has entered into a service contract with the Company for a term of three years from 26 March 2024. Mr. Zhang will hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting in accordance with the Articles of Association. Pursuant to the Service Contract, Mr. Zhang is entitled to an annual director's fee of HKD300,000 and bonus at the discretion of the Board. Mr. Zhang's remuneration was determined with reference to his duties and responsibilities as an independent non-executive Director in the Group and the market rate for the position.

As at the Latest Practicable Date and save as disclosed in the circular, each of the above Directors did not have, and was not deemed to have any interests or short positions in any Shares, underlying Shares or interests in debentures of the Company and its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed herein and immediately preceding the Latest Practicable Date, each of the above Directors has not held any directorships in other listed public companies during the past three years, does not hold any other position with the Company or other members of the Group and does not have any other relationships with any of the other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there are no other matters concerning each of the above Directors that need to be brought to the attention of the Shareholders in connection with his/her re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

The following is an explanatory statement required by the Stock Exchange to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

1. LISTING RULES

The Listing Rules provide that the company whose primary listing is on the Stock Exchange may only repurchase shares on the Stock Exchange, either directly or indirectly, if:

- (i) the shares proposed to be repurchased by the company are fully-paid up;
- (ii) the company has previously sent to its shareholders an explanatory statement complying with the Listing Rules; and
- (iii) its shareholders have given a specific approval or a general mandate to its directors to make the repurchase(s), by way of an ordinary resolution which complies with the relevant provisions of the Listing Rules and which has been passed at a general meeting of the company duly convened and held.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued Share capital comprised 1,257,447,000 Shares of nominal value of US\$0.01 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 125,744,700 Shares, which represent 10 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate.

The Company may cancel the repurchased Shares under the Repurchase Mandate, and/or (subject to the amendments to the Listing Rules relating to treasury shares published by the Stock Exchange on 12 April 2024 becoming effective on 11 June 2024) hold them as treasury shares subject to, for example, market conditions and its capital management needs at the relevant time of the repurchases.

3. REASONS FOR AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general mandate from the Shareholders to enable the Company to repurchase its Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole. Neither the explanatory statement nor the proposed share repurchase has any unusual features.

Repurchases of Shares will be financed out of funds legally available for the purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands. The Companies Act provides that the amount of

capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Act. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's Shares are repurchased in the manner provided for in the Companies Act.

The Directors 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 as a whole. The Directors consider that if the Repurchase Mandate was to be exercised in full, it may not have a material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, 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 Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholder's 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. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Li Xinzhou and the parties acting in concert with him (the "**Concert Parties**") for the purpose of the Takeovers Code, own or control a total of 844,509,000 Shares, representing approximately 67.16% of the issued share capital of the Company. Among which, Mr. Li Xinzhou and his spouse Ms. Wu Qian directly and indirectly hold 9,714,000 Shares and 834,795,000 Shares, respectively. In the event that the Directors should exercise in full the Repurchase Mandate, the aggregate interests of the Concert Parties will be increased to approximately 74.62% of the issued share capital of the Company. On the basis of the aforesaid increase of shareholding, the Directors are not aware of any consequences of such repurchases of Shares that would result in a Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate was exercised in full. As the exercise of the Repurchase Mandate in full would result in insufficient public float of the Company, the Directors have no intention to exercise the Repurchase Mandate to such an extent that the public shareholding is less than the minimum public float requirement of 25% of the total number of issued Shares.

As at the Latest Practicable Date, the following Shareholders had interests representing 5% or more of the issued share capital of the Company:

Name of substantial Shareholder	Capacity/ Nature of interest	Number of Shares interested	% of issued share capital
Li Xinzhou	Interest of spouse (<i>Note 2</i>)	834,795,000 (Long Position)	66.39%
	Beneficial owner	9,714,000 (Long Position)	0.77%
Wu Qian	Interest of controlled corporation (<i>Note 1</i>)	833,392,000 (Long Position)	66.28%
	Interest of spouse (<i>Note 3</i>)	9,714,000 (Long Position)	0.77%
	Beneficial owner	1,403,000 (Long Position)	0.11%
Tian Tian Limited	Interest of controlled corporation (<i>Note 4</i>)	833,392,000 (Long Position)	66.28%
Pioneer Pharma (BVI) Co., Ltd.	Beneficial owner	833,392,000 (Long Position)	66.28%
Bank of Communications Trustee Limited	Trustee	87,044,000 (Long Position)	6.92%

Notes:

- Ms. Wu Qian holds 99% shares in Tian Tian Limited and Tian Tian Limited holds 100% shares in Pioneer Pharma (BVI) Co., Ltd., therefore, Ms. Wu Qian is deemed to be interested in 833,392,000 Shares held by Pioneer Pharma (BVI) Co., Ltd..
- Ms. Wu Qian is the spouse of Mr. Li Xinzhou, and she holds 1,403,000 Shares. Meanwhile, Ms. Wu Qian holds 99% shares in Tian Tian Limited, and Tian Tian Limited holds 100% shares in Pioneer Pharma (BVI) Co., Ltd. Therefore, Ms. Wu Qian is deemed to be interested in 833,392,000 Shares held by Pioneer Pharma (BVI) Co., Ltd. Accordingly, Mr. Li Xinzhou is deemed to be interested in 834,795,000 Shares.
- Such 9,714,000 Shares are held by Mr. Li Xinzhou, the spouse of Ms. Wu Qian. Accordingly, Ms. Wu Qian is deemed to be interested in such 9,714,000 Shares.
- Tian Tian Limited through its controlled corporation, Pioneer Pharma (BVI) Co., Ltd., is deemed to be interested in 833,392,000 Shares held by Pioneer Pharma (BVI) Co., Ltd.

5. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made reasonable enquiries, any of their close associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company. No core connected person of the Company has notified the Company that he/she/it has any present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the requirements set out in the Memorandum and Articles of Association.

7. SHARE REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company had not repurchased any Shares on the Stock Exchange.

8. SHARE PRICES

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

Month	Highest	Lowest
	traded prices	traded prices
	HK\$	HK\$
2023		
May	2.73	2.35
June	2.70	2.42
July	2.58	2.28
August	2.50	2.00
September	2.30	1.90
October	2.17	1.76
November	2.06	1.65
December	2.00	1.77
2024		
January	1.91	1.75
February	1.90	1.55
March	1.90	1.31
April (up to the Latest Practicable Date)	1.95	1.74



上海先锋控股有限公司 Shanghai Pioneer Holding Ltd

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01345)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Meeting**”) of Shanghai Pioneer Holding Ltd (the “**Company**”) will be held at Conference Hall, 4/F, No. 15, Lane 88, Wuwei Road, Putuo District, Shanghai, PRC on Friday, 24 May 2024 at 10:00 a.m. for considering and, if thought fit, passing, with or without amendments, the following resolutions:

ORDINARY RESOLUTIONS

1. To review and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor of the Company for the year ended 31 December 2023.
2. To re-elect Mr. Li Xinzhou as an executive director of the Company.
3. To re-elect Mr. Yang Yuewen as an executive director of the Company.
4. To re-elect Mr. Zhang Quan as an executive director of the Company.
5. To re-elect Mr. Zhang Hong as an independent non-executive director of the Company.
6. To re-elect Mr. Zhang Changhai as an independent non-executive director of the Company.
7. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
8. To appoint BDO Limited as the auditor of the Company and authorise the board of directors of the Company to fix its remuneration.

9. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That:

- (i) subject to paragraph (iii) below, 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 or otherwise deal with additional shares in the share capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the share option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) 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 (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by 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 the aggregate of 20 per cent of the number of shares of the Company in issue as at the date of passing this resolution and the aforesaid approval shall be limited accordingly; and

- (iv) for the purpose of this resolution:
- (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held;
 - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
- (b) “Rights Issue” means an offer of shares of the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof whose names appear on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the directors 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, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”
10. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That:

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) of this resolution above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase its shares at a price determined by the directors of the Company;
- (iii) the aggregate number of the shares of the Company, which may be repurchased by the Company during the Relevant Period (as hereinafter defined) pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the number of the shares of the Company in issue as at the date of passing of this resolution, and the aforesaid approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; and
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

11. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**That** conditional upon the resolutions numbered 9 and 10 set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 9 set out in the notice convening this meeting be and is hereby extended by the addition to the number of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the number of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 10 set out in the notice convening this meeting, provided that such extended amount shall not

exceed 10 per cent of the number of shares of the Company in issue as at the date of passing of this resolution.”

12. To declare a final dividend.

By Order of the Board
Shanghai Pioneer Holding Ltd
LI Xinzhou
Chairman

Hong Kong, 30 April 2024

Registered Office:
190 Elgin Avenue
George Town
Grand Cayman KY1-9005
Cayman Islands

Principal place of business
in Hong Kong:
31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Notes:

- (i) Ordinary resolution numbered 11 will be proposed to the shareholders of the Company for approval provided that ordinary resolutions numbered 9 and 10 are passed by the shareholders.
- (ii) A shareholder entitled to attend and vote at the Meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company. A shareholder 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 Meeting. On a poll, votes may be given either personally or by proxy.

- (iii) In the case of joint holders, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. before 10:00 a.m. on Wednesday, 22 May 2024 (Hong Kong time)) or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) Shareholders whose names appear on the register of members of the Company at the close of business on Tuesday, 14 May 2024 (Hong Kong time) are eligible to attend the Meeting. The register of members of the Company will be closed from Tuesday, 14 May 2024 to Friday, 24 May 2024, both days inclusive, to determine the entitlement of the shareholders to attend the Meeting, during which period no share transfers can be registered. In order to qualify for attending the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 13 May 2024.
- (vi) In respect of ordinary resolutions numbered 2 to 6 above, Mr. Li Xinzhou, Mr. Yang Yuewen, Mr. Zhang Quan, Mr. Zhang Hong and Mr. Zhang Changhai shall retire at the Meeting and being eligible, have offered themselves for re-election at the Meeting. Details of the above retiring directors are set out in Appendix I to the accompanied circular dated 30 April 2024.
- (vii) A final dividend will be paid to shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 30 May 2024 (Hong Kong time). For determining the entitlement to the final dividend, the register of members of the Company will be closed from Thursday, 30 May 2024 to Monday, 3 June 2024, during which period no transfer of shares of the Company will be registered. In order to be eligible for the final dividend, all transfer documents accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 29 May 2024.
- (viii) Shareholders registered to attend the Meeting may submit questions related to the resolutions submitted at the Meeting or raise questions during the Meeting. The questions raised by shareholders at the Meeting and those submitted beforehand will be addressed by the Company as far as possible.