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

If you have sold or transferred all your shares in **PuraPharm Corporation Limited**, you should at once hand this circular, together with the enclosed 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 to the purchaser or transferee.

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PuraPharm

PURAPHARM CORPORATION LIMITED

培力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1498)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANT OF GENERAL MANDATES TO
BUY BACK SHARES AND ISSUE NEW SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of PuraPharm Corporation Limited to be held at Room C, 5/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 22 May 2020 at 2:30 p.m. is set out on pages 18 to 24 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 Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.purapharm.com).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, 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 adjournment thereof if they so wish.

16 April 2020

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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 Room C, 5/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 22 May 2020 at 2:30 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 24 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“Company”	PuraPharm Corporation Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 18 to 24 of this circular;
“Latest Practicable Date”	6 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of US\$0.1 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Share Option(s)”	share option(s) granted under the share option scheme adopted by the Shareholders of the Company on 12 June 2015;
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to buy back Shares on the Stock Exchange, which shall not exceed 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 18 to 24 of this circular;
“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 issued by the Securities and Futures Commission in Hong Kong as amended from time to time; and
“%”	per cent.

LETTER FROM THE BOARD



PuraPharm

PURAPHARM CORPORATION LIMITED

培力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1498)

Executive Directors:

Mr. Chan Yu Ling, Abraham (*Chairman*)
Dr. Tsoi Kam Biu, Alvin (*Vice-Chairman*)
Mr. Chan Kin Man, Eddie
Ms. Man Yee Wai, Viola

Non-executive Directors:

Mr. Chow, Stanley
Mr. Cheong Shin Keong

Independent non-executive Directors:

Dr. Chan Kin Keung, Eugene
Mr. Ho Kwok Wah, George
Dr. Leung Lim Kin, Simon
Prof. Tsui Lap Chee

Registered Office:

Offshore Incorporations (Cayman) Limited
P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

*Headquarter and principal place of
business in Hong Kong:*

Suite 4002, Jardine House
1 Connaught Place, Central
Hong Kong

16 April 2020

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANT OF GENERAL MANDATES TO
BUY BACK SHARES AND ISSUE NEW SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting for, among other things, (i) the re-election of retiring Directors; and (ii) the grant to the Directors of the Share Buy-back Mandate and the Issuance Mandate.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 108 of the Articles of Association, Mr. Chan Kin Man, Eddie, Mr. Ho Kwok Wah, George, and Dr. Leung Lim Kin, Simon shall retire at the Annual General Meeting. According to Article 112 of the Articles of Association, Mr. Cheong Shin Keong shall hold office until the first annual general meeting of the Company after his appointment and be subject to re-election at such meeting. Mr. Chan Kin Man, Eddie, Mr. Ho Kwok Wah, George, Dr. Leung Lim Kin, Simon and Mr. Cheong Shin Keong, being eligible, will offer themselves for re-election at the Annual General Meeting.

Pursuant to the Listing Rules, details of the retiring Directors, offering themselves for re-election, are set out in Appendix I to this circular.

The nominations were made in accordance with the nomination policy of the Company and the objective criteria (including without limitation, skills, knowledge and experience, and potential time commitment for the board and/or committee responsibilities), with due regard for the benefits of diversity as set out under the board diversity policy of the Company, details of which are set out in the 2019 annual report of the Company. The Nomination Committee had also taken into account the respective contributions of Mr. Chan Kin Man, Eddie, Mr. Ho Kwok Wah, George, Dr. Leung Lim Kin, Simon and Mr. Cheong Shin Keong to the Board and their commitment to their roles.

The Nomination Committee considered that, in view of their diverse and difference educational backgrounds and professional knowledge and experience of Mr. Chan Kin Man, Eddie, Mr. Ho Kwok Wah, George, Dr. Leung Lim Kin, Simon and Mr. Cheong Shin Keong, the Directors proposed to be re-elected will bring valuable perspectives, knowledge, skills and experiences to the Board for its efficient and effective functioning and their appointments will contribute to the diversity of the Board appropriate to the requirements of the Group's business.

The Nomination Committee also assessed and reviewed the annual confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules of Mr. Ho Kwok Wah, George and Dr. Leung Lim Kin, Simon and re-affirmed their independence. Each of Mr. Ho Kwok Wah, George and Dr. Leung Lim Kin Simon, who is proposed to be re-elected as an independent non-executive Director, confirmed that as at the Latest Practicable Date not held seven or more directorship in listed companies.

3. PROPOSED GRANT OF GENERAL MANDATE TO BUY BACK SHARES

In order to give the Company the flexibility to buy back Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the grant of the Share Buy-back Mandate to the Directors to buy back Shares on the Stock Exchange of not

LETTER FROM THE BOARD

exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 18 to 24 of this circular (i.e. a total of 39,489,294 Shares on the basis that there is no change in the total number of issued Shares of the Company before the Annual General Meeting). The Directors wish to state that the Board intends to exercise its power under the Share Buy-back Mandate from time to time but have no immediate plan to buy back any Shares pursuant to the Share Buy-back Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the grant of the Share Buy-back Mandate is set out in Appendix II to this circular.

The Share Buy-back Mandate will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; or (iii) the passing of an ordinary resolution of the Shareholders in general meeting revoking or varying the Share Buy-back Mandate.

4. PROPOSED GRANT OF GENERAL MANDATE TO ISSUE NEW SHARES

In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the grant of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 18 to 24 of this circular (i.e. a total of 78,978,588 Shares on the basis that there is no change in the total number of issued Shares of the Company before the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares bought back by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

The Issuance Mandate will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; or (iii) the passing of an ordinary resolution of the Shareholders in general meeting revoking or varying the Issuance Mandate.

LETTER FROM THE BOARD

5. RE-APPOINTMENT OF THE AUDITOR

Ernst & Young will retire as the auditor of the Company at the Annual General Meeting and, being eligible, offer themselves for re-appointment as the auditor of the Company. Details of the re-appointment of auditor are set out in the proposed ordinary resolution contained in item 3 of the notice of the Annual General Meeting.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 18 to 24 of this circular.

Pursuant to 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. To the best of the knowledge, information and belief of the Directors, none of the Shareholders is required to abstain from voting on any of the resolutions to be proposed at the Annual General Meeting. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.purapharm.com). The form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof if you so wish.

7. CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlement to attend and to vote at the Annual General Meeting, the register of members will be closed from Tuesday, 19 May 2020 to Friday, 22 May 2020 (both dates inclusive), the period during which no transfer of the Shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all completed share transfer instruments accompanied by the relevant share certificates shall be lodged with the Company's share registrar,

LETTER FROM THE BOARD

Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 pm on Monday, 18 May 2020.

8. RESPONSIBILITY STATEMENT

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

9. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting) and Appendix II (Explanatory Statement on the Share Buy-back Mandate) to this circular.

10. RECOMMENDATION

The Directors consider that (i) the proposed re-election of retiring Directors; and (ii) the proposed grant of the Share Buy-back Mandate and Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
PuraPharm Corporation Limited
Chan Yu Ling, Abraham
Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

Executive Director

Mr. Chan Kin Man, Eddie (陳健文), aged 59, is an Executive Director. Mr. Chan has over 30 years of extensive experience in professional accounting and taxation services. He is the founder and senior partner in CWCC CPA Limited, an accounting firm, to oversee the divisions of tax, corporate secretarial and China business advisory services. Mr. Chan was accredited as a Certified Public Accountant (practising) and a fellow member by the Hong Kong Institute of Certified Public Accountants in January 1990 and July 1993 respectively, a fellow member of the Association of Chartered Certified Accountants in January 2001 and a fellow member of The Institute of Chartered Accountants in England and Wales in December 2017. He received a higher diploma in accountancy from the Hong Kong Polytechnic University.

Save as disclosed above, Mr. Chan did not hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas in the past three years.

Mr. Chan does not have any relationship with other directors, senior management or substantial or controlling shareholders of the Company.

Mr. Chan has signed an appointment letter with the Company regarding his appointment as executive Director commencing on 15 November 2017 for three years and he is subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with Article 108 of the Articles of Association.

Mr. Chan is entitled to receive director's fee in the amount of HK\$200,000 per annum. Mr. Chan's remuneration has been determined by the Board based on the recommendation of the remuneration committee of the Company and with reference to the prevailing market practice, the Company's remuneration policy and Mr. Chan's duties, responsibilities with the Company as well as his performance.

As at the date of this circular, Mr. Chan was beneficially interested in 6,014,250 shares of the Company within the meaning of Part XV of the SFO.

Save for the information disclosed above, there is no information which is discloseable nor is Mr. Chan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Chan that need to be brought to the attention of the Shareholders.

Non-executive Director

Mr. CHEONG Shin Keong (鄭善強), aged 63, was appointed as a non-executive Director on 24 March 2020. Mr. Cheong is an independent non-executive Directors of Bossini International Holdings Limited (stock code: 592), a company listed on the Main Board of the Stock Exchange since September 2017, and from January 2015 to January 2020 was an executive Director of Television Broadcasts Limited (stock code: 511), a company listed on the Main Board of the Stock Exchange. Mr. Cheong joined Television Broadcasts Limited as controller, marketing & Sales in March 1989 and assumed the duties of general manager in April 2004. Mr. Cheong has extensive experience in the advertising and marketing industry and contributes actively to the professional development of marketing in Hong Kong through leading marketing industry bodies. He is a Fellow and a Vice-Chairman of the Hong Kong Management Association as well as a Fellow and Hong Kong Regional Board President of the Chartered Institute of Marketing.

Save as disclosed above, Mr. Cheong did not hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas in the past three years.

Mr. Cheong does not have any relationship with other directors, senior management or substantial or controlling shareholders of the Company.

Mr. Cheong has signed an appointment letter with the Company regarding his appointment as non-executive Director commencing on 24 March 2020 for a fixed term of three years, unless terminated by either Mr. Cheong or the Company in accordance with the terms of the letter of appointment and he is subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with Article 108 of the Articles of Association.

Mr. Cheong is not entitled to receive salary but is entitled to receive director's fee in the amount of HK\$400,000 per annum. Mr. Cheong remuneration has been determined by the Board based on the recommendation of the remuneration committee of the Company and with reference to the prevailing market practice, the Company's remuneration policy and Mr. Cheong's duties, responsibilities with the Company.

Save for the information disclosed above, there is no information which is discloseable nor is Mr. Cheong involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Cheong that need to be brought to the attention of the Shareholders.

Independent Non-executive Director

Mr. Ho Kwok Wah, George (何國華), aged 61, is an independent non-executive Director. Mr. Ho has over 20 years of extensive experience in accounting, auditing and financial management. He is a director of Yong Zheng CPA Limited, an accounting firm in Hong Kong, as well as the Director of Hong Kong Shatin Industries and Commerce Association Limited, and Hong Kong Commerce and Industry Associations Limited, respectively. Mr. Ho is also an independent non-executive director of Town Health International Holdings Limited (stock code: 3886), and Rykadan Capital Limited (stock code: 2288). He was awarded Medal of Honour (MH) by the government of Hong Kong SAR in 2015. Mr. Ho obtained a Bachelor's Degree in Accountancy from the Hong Kong Polytechnic University.

Save as disclosed above, Mr. Ho did not hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas in the past three years.

Mr. Ho does not have any relationship with other directors, senior management or substantial or controlling shareholders of the Company.

Mr. Ho has signed an appointment letter with the Company regarding his appointment as independent non-executive Director for a period of three years commencing on 26 March 2018 and is subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with Article 108 of the Articles of Association.

Mr. Ho is not entitled to receive salary but is entitled to receive director's fee in the amount of HK\$200,000 per annum. Mr. Ho's remuneration has been determined by the Board based on the recommendation of the remuneration committee of the Company and with reference to the prevailing market practice, the Company's remuneration policy and Mr. Ho's duties, responsibilities with the Company as well as his performance.

As at the date of this circular, Mr. Ho was beneficially interested in 20,000 shares of the Company within the meaning of Part XV of the SFO.

Save for the information disclosed above, there is no information which is discloseable nor is Mr. Ho involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Ho that need to be brought to the attention of the Shareholders.

Dr. Leung Lim Kin, Simon (梁念堅), aged 65, is an independent non-executive Director. Dr. Leung has more than 30 years of extensive experience in both the information technology and telecommunications industries. Dr. Leung is currently a member of the Ivey Asia Advisory Board of the Richard Ivey School of Business, University of Western Ontario, where he is primarily responsible for advising the school on its mission and strategy in Asia. He is also currently a

member of the College Council of Tung Wah College, where he is primarily responsible for determining key governance issues. In 2005, he was appointed as the president of Motorola Asia-Pacific. Since 2008, Dr. Leung has been the Chief Executive Officer of Microsoft Greater China region. From 2009 to 2010, he was the Governor of the Upper Canada College. In 2012, Dr. Leung was appointed as Chief Executive Officer of Harrow International Management Services Limited. Since March 2015, Dr. Leung is appointed as the vice chairman and executive director of NetDragon Websoft Holdings Limited (stock code: 777) and the Chairman of its subsidiaries including Promethean World Limited, Edmodo, Inc., Cherrypicks and Jumpshot Games, Inc., responsible for the overall strategic layout, direction of technical products and international business operation of all the education-related business of the company. From 2010 to 2015, Dr. Leung was a member of the International Advisory Committee of The Hong Kong Polytechnic University. Dr. Leung received his bachelor's degree in arts from the University of Western Ontario in Canada, an honorary doctorate in laws from the University of Western Ontario in Canada and a doctorate degree of business administration from the Hong Kong Polytechnic University.

Save as disclosed above, Dr. Leung did not hold any directorships in any other public companies the securities of which are listed in Hong Kong or overseas in the past three years.

Dr. Leung does not have any relationship with other directors, senior management or substantial or controlling shareholders of the Company.

Dr. Leung has signed an appointment letter with the Company regarding his appointment as independent non-executive Director for a period of three years commencing on 26 March 2018 and is subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with Article 108 of the Articles of Association.

Dr. Leung is not entitled to receive salary but is entitled to receive director's fee in the amount of HK\$200,000 per annum. Dr. Leung's remuneration has been determined by the Board based on the recommendation of the remuneration committee of the Company and with reference to the prevailing market practice, the Company's remuneration policy and Dr. Leung's duties, responsibilities with the Company as well as his performance.

As at the date of this circular, Dr. Leung was beneficially interested in 20,000 shares of the Company within the meaning of Part XV of the SFO.

Save for the information disclosed above, there is no information which is discloseable nor is Dr. Leung involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Dr. Leung that need to be brought to the attention of the Shareholders.

This Appendix is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the grant of the Share Buy-back Mandate.

1. SHARES IN ISSUE

As at the Latest Practicable Date, the total number of issued Shares of the Company comprised 394,892,941 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the grant of the Share Buy-back Mandate and on the basis that there will be no change to the total number of issued Shares of the Company before the Annual General Meeting, i.e. being 394,892,941 Shares, the Directors would be authorised under the Share Buy-back Mandate to buy back, during the period in which the Share Buy-back Mandate remains in force, a total of 39,489,294 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE BUYBACK

The Directors believe that the granting of the Share Buy-back Mandate is in the best interests of the Company and the Shareholders.

Shares buybacks may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a buyback will benefit the Company and the Shareholders.

3. FUNDING OF BUYBACK

In buying-back Shares, the Company may only apply the Company's available cash flow or working capital facilities which will be funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

The Directors propose that the buyback of Shares under the proposed Share Buy-back Mandate would be financed from the Company's internal resources.

4. IMPACT OF BUYBACK

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buyback period.

However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange in each of the previous twelve months (adjusted after taking into account of the effect of the rights issue of the Company completed on 2 March 2020) were as follows:

	Month	Highest HK\$	Lowest HK\$
2019	April	1.93	1.76
	May	2.42	1.79
	June	1.98	1.71
	July	1.98	1.87
	August	1.93	1.35
	September	1.45	1.35
	October	1.32	1.18
	November	1.37	1.16
	December	1.36	1.14
	2020	January	1.03
February		1.14	0.82
March		0.97	0.67
April (up to the Latest Practicable Date)		0.79	0.77

6. GENERAL

To the best of the knowledge of the Directors and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the grant of the Share Buy-back Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the grant of the Share Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make buyback of Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE AND PUBLIC FLOAT REQUIREMENT

If as a result of a Shares buyback pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, according to the register of interests kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following Shareholders were directly or indirectly interested in 5% or more of the issued Shares:

Name of Shareholders	Nature of Interest	Number of Shares held or interested ⁽¹⁾	Percentage of the Company's issued share capital
Mr. Chan Yu Ling, Abraham ("Mr. Abraham Chan")	Interest of controlled corporations	190,354,830 (L) ⁽²⁾⁽³⁾⁽⁴⁾	48.20%
	Beneficial owner	30,030,311 (L)	7.60%
	Interest of spouse	78,217,250 (L) ⁽⁵⁾	19.81%
	Beneficiary of a trust	150,000 (L) ⁽⁹⁾	0.04%
Ms. Man Yee Wai, Viola ("Ms. Viola Man")	Interest of a controlled corporation	77,349,750 (L) ⁽⁶⁾	19.59%
	Beneficial owner	792,500 (L)	0.2%
	Interest of spouse	220,535,141 (L) ⁽⁷⁾	55.85%
	Beneficiary of a trust	75,000 (L) ⁽⁹⁾	0.02%
PuraPharm Corporation Limited ("PuraPharm Corp")	Beneficial owner	77,349,750 (L)	19.59%
Joint Partners Investment Limited ("Joint Partners")	Interest of a controlled corporation	77,349,750 (L) ⁽⁸⁾	19.59%
Fullgold Development Limited ("Fullgold Development")	Beneficial owner	93,429,000 (L)	23.66%
Gold Sparkle Limited ("Gold Sparkle")	Beneficial owner	19,576,080 (L)	4.96%

Notes:

- (1) The letter “L” denotes the person’s long position in such securities.
- (2) Mr. Abraham Chan beneficially owns the 50% of the issued share capital of Joint Partners, which in turn wholly owns the issued capital of PuraPharm Corp, a limited liability company incorporated in the British Virgin Islands on 5 May 1998. PuraPharm Corp owns 77,349,750 Shares. By virtue of the SFO, Mr. Abraham Chan is deemed to be interested in the Shares held by PuraPharm Corp.
- (3) Mr. Abraham Chan wholly owns the issued share capital of Fullgold Development, which in turn owns 93,429,000 Shares. By virtue of the SFO, Mr. Abraham Chan is deemed to be interested in the Shares held by Fullgold Development.
- (4) Mr. Abraham Chan beneficially owns the entire issued share capital of Gold Sparkle, which in turn owns 19,576,080 Shares. By virtue of the SFO, Mr. Abraham Chan is deemed to be interested in the Shares held by Gold Sparkle.
- (5) Mr. Abraham Chan is the spouse of Ms. Viola Man. By virtue of the SFO, Mr. Abraham Chan is deemed to be interested in the Shares held by Ms. Viola Man.
- (6) Ms. Viola Man beneficially owns the 50% of the issued share capital of Joint Partners, which in turn wholly owns the issued capital of PuraPharm Corp. PuraPharm Corp owns 77,349,750 Shares. By virtue of the SFO, Ms. Viola Man is deemed to be interested in the Shares held by PuraPharm Corp.
- (7) Ms. Viola Man is the spouse of Mr. Abraham Chan. By virtue of the SFO, Ms. Viola Man is deemed to be interested in the Shares held by Mr. Abraham Chan.
- (8) PuraPharm Corp is wholly owned by Joint Partners. By virtue of the SFO, Joint Partners is deemed to be interested in the Shares held by PuraPharm Corp.
- (9) These Shares represent Shares granted to Mr. Abraham Chan and Ms. Viola Man pursuant to a share award scheme adopted by the Company on 22 February 2016 (the “Share Award Scheme”), which are held on trust by a trust set up by the Company for the purpose of administrating the Share Award Scheme Trust until the Shares are vested.

Assuming that no further Shares are issued between the Latest Practicable Date and the date of a buyback under the proposed Share Buy-back Mandate, in the event that the Directors exercise the power to buy back Shares in full in accordance with the proposed Share Buy-back Mandate, the aggregate shareholding of the above Shareholders in the issued share capital of the Company would be increased to:

Name of Shareholders	Nature of Interest	Percentage of the Company's issued share capital
Mr. Abraham Chan	Interest of controlled corporations	53.56%
	Beneficial owner	8.45%
	Interest of spouse	22.01%
	Beneficiary of a trust	0.04%
Ms. Viola Man	Interest of a controlled corporation	21.76%
	Beneficial owner	0.22%
	Interest of spouse	62.05%
	Beneficiary of a trust	0.02%
PuraPharm Corp	Beneficial owner	21.76%
Joint Partners	Interest of a controlled corporation	21.76%
Fullgold Development	Beneficial owner	26.29%
Gold Sparkle	Beneficial owner	5.51%

The Directors are not aware of the consequences of such increases or as a result of the buyback of Shares that would result in any of the aforesaid Shareholders or any Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. Moreover, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below 25%, the prescribed minimum percentage required by the Stock Exchange.

8. BUYBACK OF SHARES MADE BY THE COMPANY

During the 12 months prior to the Latest Practicable Date, the Company had not bought back any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



PuraPharm

PURAPHARM CORPORATION LIMITED

培力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1498)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an Annual General Meeting of PuraPharm Corporation Limited (the “Company”) will be held at Room C, 5/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 22 May 2020 at 2:30 p.m. for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following resolutions (with or without modifications) as ordinary resolutions of the Company:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “Directors”) and the auditor of the Company for the year ended 31 December 2019.
2.
 - (a) To re-elect Mr. Chan Kin Man, Eddie as an executive Director;
 - (b) To re-elect Mr. Cheong Shin Keong as a non-executive Director;
 - (c) To re-elect Mr. Ho Kwok Wah, George as an independent non-executive Director;
 - (d) To re-elect Dr. Leung Lim Kin, Simon as an independent non-executive Director;
 - (e) To authorise the board of Directors to fix the Directors’ remuneration.

NOTICE OF ANNUAL GENERAL MEETING

3. To re-appoint Ernst & Young as auditor of the Company to hold office until conclusion of the next annual general meeting and to authorise the board of Directors to fix the auditor's remuneration.
4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph 4(b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to buy back shares of the Company in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be bought back pursuant to the mandate in paragraph 4(a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be bought back under the mandate in paragraph 4(a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the 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 an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT:

- (a) subject to paragraph 5(c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph 5(a) above shall authorise the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or 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 by the directors pursuant to the mandate in paragraph 5(a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme 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,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph 5(a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the 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 an ordinary resolution of the shareholders in general meeting.

“Right Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions 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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”

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

“**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares bought back by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of the total number of issued share of the Company as at the date of the passing of this resolution.”

By order of the Board
PuraPharm Corporation Limited
Chan Yu Ling, Abraham
Chairman

Hong Kong, 16 April 2020

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the above meeting. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.
3. The form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above meeting, the register of members of the Company will be closed from Tuesday, 19 May 2020 to Friday, 22 May 2020, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates 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, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 18 May 2020.
5. A circular containing further details concerning items 2, 4, 5 and 6 set out in the above notice will be sent to all shareholders of the Company together with the annual report of the Company for the year ended 31 December 2019.
6. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

NOTICE OF ANNUAL GENERAL MEETING

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing novel coronavirus epidemic (the “**Epidemic**”) and recent guidelines for prevention and control of its spread, the Company will implement the following precautionary measures at the Annual General Meeting to protect the Shareholders, staff and other stakeholders who attend the Annual General Meeting from the risk of infection:

(i) compulsory body temperature checks

Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the Annual General Meeting venue. Any person with a body temperature of over 37.4 degrees Celsius will not be admitted to the Annual General Meeting venue;

(ii) health declarations

All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the Annual General Meeting venue a health declaration form providing their names and contact details, and confirming that they have not travelled to, or to their best of knowledge had close contact with any person who has recently travelled to, any affected countries or areas outside of Hong Kong (as per guidelines published on the website of the Centre for Health Protection of Department of Health of Hong Kong at www.chp.gov.hk/en/features/102742.html) at any time in the preceding 14 days;

(iii) wearing of surgical face masks

The Company will require all attendees to wear surgical face masks (at the attendees’ own cost and no masks will be provided) before they are permitted to attend, and during their attendance of the Annual General Meeting at all times, and to maintain a safe distance between seats; and

(iv) no refreshment, drinks and gifts will be served at the Annual General Meeting

Any person who does not comply with above requirements may be denied entry into the Annual General Meeting venue or be required to leave the Annual General Meeting venue. To the extent permitted under law, the Company reserves the right to deny entry into the Annual General Meeting venue or require any person to leave the Annual General Meeting venue in order to ensure the safety of other attendees at the Annual General Meeting. In the interest of all attendees’ health and safety and in accordance with recent guidelines for prevention and control of the spread of the Epidemic, the Company reminds all Shareholders that physical attendance in person at the Annual

NOTICE OF ANNUAL GENERAL MEETING

General Meeting is not necessary for the purpose of exercising voting rights. The Company strongly advise the Shareholders to complete the proxy forms and appoint the chairman of the Annual General Meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting instead of attending the Annual General Meeting in person in order to exercise their right to vote at the Annual General Meeting.

The Directors (including the chairman of the board of Directors (the “**Board**”) may attend the Annual General Meeting remotely through video or telephone conference facilities if needed. The chairman of the Board and chairmen of the Board committees will be available either in person or through video or telephone conference facilities to answer questions from Shareholders at the Annual General Meeting.

As at the date of this notice, the executive directors of the Company are Mr. Chan Yu Ling, Abraham, Dr. Tsoi Kam Biu, Alvin, Mr. Chan Kin Man, Eddie and Ms. Man Yee Wai, Viola; the non-executive directors of the Company are Mr. Chow, Stanley and Mr. Cheong Shin Keong; and the independent non- executive directors of the Company are Dr. Chan Kin Keung, Eugene, Mr. Ho Kwok Wah, George, Dr. Leung Lim Kin, Simon and Prof. Tsui Lap Chee.