

SJM HOLDINGS LIMITED
(the “Company”)

Model Code for Securities Transactions by Relevant Employees of the Company
(adopted pursuant to Code A.5.4 of the Code on Corporate Governance Practices of
the Exchange Listing Rules)

Basic Principles

1. This code (both the basic principles and the rules) sets a required standard against which Relevant Employees must measure their conduct regarding transactions in securities of the Company. A Relevant Employee must seek to secure that all dealings in which he is or is deemed to be interested be conducted in accordance with this code.
2. Relevant Employees wishing to deal in any securities in the Company must first have regard to the provisions of Parts XIII and XIV of the Securities and Futures Ordinance with respect to insider dealing and market misconduct. However, there are occasions where Relevant Employees should not be free to deal in the Company’s securities even though the statutory requirements will not be contravened.
3. The single most important thrust of this code is that Relevant Employees who are aware of or privy to any negotiations or agreements related to intended acquisitions or disposals which are notifiable transactions under Chapter 14 of the Exchange Listing Rules or connected transactions under Chapter 14A of the Exchange Listing Rules or any price-sensitive information must refrain from dealing in the Company’s securities as soon as they become aware of them or privy to them until proper disclosure of the information in accordance with the Exchange Listing Rules.
4. In addition, a Relevant Employee must not make any unauthorised disclosure of confidential information, whether to co-trustees or to any other person (even those to whom he owes a fiduciary duty) or make any use of such information for the advantage of himself or others.

Interpretation

5. For the purpose of this code:
 - (a) “dealing” includes, subject to paragraph (d) below, any acquisition, disposal or transfer of, or offer to acquire, dispose of or transfer, or creation of pledge, charge or any other security interest in, any securities of the Company or any entity whose assets solely or substantially comprise securities of the Company, and the grant, acceptance, acquisition, disposal, transfer, exercise or discharge of any option (whether call, put or both) or other right or obligation, present or future, conditional or unconditional, to acquire, dispose of or transfer securities, or any interest in securities, of the Company or any such entity, in each case whether or not for consideration and any agreements to do any of the foregoing, and “deal” shall be construed accordingly;

- (b) “beneficiary” includes any discretionary object of a discretionary trust (where the Relevant Employee is aware of the arrangement) and any beneficiary of a non-discretionary trust;
- (c) “securities” means listed securities and any unlisted securities that are convertible or exchangeable into listed securities and structured products (including derivative warrants), such as those described in Chapter 15A of the Exchange Listing Rules, issued in respect of the listed securities of the Company;
- (d) notwithstanding the definition of “dealing” in paragraph (a) above, the following dealings are not subject to the provisions of this code:
 - (i) taking up of entitlements under a rights issue, bonus issue, capitalisation issue or other offer made by the Company to holders of its securities (including an offer of shares in lieu of a cash dividend) but, for the avoidance of doubt, applying for excess shares in a rights issue or applying for shares in excess of an assured allotment in an open offer is a “dealing”;
 - (ii) allowing entitlements to lapse under a rights issue or other offer made by the Company to holders of its securities (including an offer of shares in lieu of a cash dividend);
 - (iii) undertakings to accept, or the acceptance of, a general offer for shares in the Company made to shareholders other than those that are concert parties (as defined under the Takeovers Code) of the offeror;
 - (iv) exercise of share options or warrants or acceptance of an offer for shares pursuant to an agreement entered into with the Company before a period during which dealing is prohibited under this code at the pre-determined exercise price, being a fixed monetary amount determined at the time of grant of the share option or warrant or acceptance of an offer for shares;
 - (v) an acquisition of qualification shares where, under the Company’s constitutional documents, the final date for acquiring such shares falls within a period when dealing is prohibited under this code and such shares cannot be acquired at another time;
 - (vi) dealing where the beneficial interest or interests in the relevant security of the Company do not change;
 - (vii) dealing where a shareholder places out his existing shares in a “top-up” placing where the number of new shares subscribed by him pursuant to an irrevocable, binding obligation equals the number of existing shares placed out and the subscription price (after expenses) is the same as the price at which the existing shares were placed out; and

- (viii) dealing where the beneficial ownership is transferred from another party by operation of law;
 - (e) “Relevant Employee” includes any employee of the Company or a director or employee of a subsidiary or holding company of the Company who, because of such office or employment, is likely to be in possession of unpublished price-sensitive information in relation to the Company or its securities; and
 - (f) “Exchange Listing Rules” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time.
6. For the purpose of this code, the grant to a Relevant Employee of an option to subscribe or purchase the Company’s securities shall be regarded as a dealing by him, if the price at which such option may be exercised is fixed at the time of such grant. If, however, an option is granted to a Relevant Employee on terms whereby the price at which such option may be exercised is to be fixed at the time of exercise, the dealing is to be regarded as taking place at the time of exercise.

RULES

A. Absolute prohibitions

1. A Relevant Employee must not deal in any of the securities of the Company at any time when he is in possession of unpublished price-sensitive information in relation to those securities, or where clearance to deal is not otherwise conferred upon him under rule B.8 of this code.

Note: “Price-sensitive information” means information described in rule 13.09(1) of the Exchange Listing Rules and the notes thereunder. In the context of this code, rule 13.09(1)(c) of the Exchange Listing Rules and its notes 9, 10 and 11 are of particular relevance.

2. A Relevant Employee must not deal in the securities of the Company when by virtue of his position as a director/Relevant Employee of another company, he is in possession of unpublished price-sensitive information in relation to those securities.
3. A Relevant Employee must not deal in any securities of the Company on any day on which its financial results are published and:
- (a) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
 - (b) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results (hereafter the “black-out period”),

unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in section C below. In any event, the Relevant Employee must comply with the procedure in rules B.8 and B.9 of this code.

Note: Relevant Employees should note that the period during which they are not allowed to deal under rule A.3 will cover any period of delay in the publication of a results announcement.

4. Where a Relevant Employee is a sole trustee, the provisions of this code will apply to all dealings of the trust as if he were dealing on his own account (unless the Relevant Employee is a bare trustee and neither he nor any of his associates is a beneficiary of the trust, in which case the provisions of this code will not apply).
5. Where a Relevant Employee deals in the securities of the Company in his capacity as a co-trustee and he has not participated in or influenced the decision to deal in the securities and is not, and none of his associates is, a beneficiary of the trust, dealings by the trust will not be regarded as his dealings.
6. The restrictions on dealings by a Relevant Employee contained in this code will be regarded as equally applicable to any dealings by the Relevant Employee's spouse or by or on behalf of any minor child (natural or adopted) and any other dealings in which for the purposes of Part XV of the Securities and Futures Ordinance he is or is to be treated as interested. It is the duty of the Relevant Employee, therefore, to seek to avoid any such dealing at a time when he himself is not free to deal.
7. When a Relevant Employee places investment funds comprising securities of the Company under professional management, discretionary or otherwise, the managers must nonetheless be made subject to the same restrictions and procedures as the Relevant Employee himself in respect of any proposed dealings in the Company's securities.

B. Notification

8. A Relevant Employee must not deal in any securities of the Company without first notifying in writing the Chief Executive Officer and receiving a dated written acknowledgement. In this case,
 - (a) a response to a request for clearance to deal must be given to the Relevant Employee within five business days of the request being made; and
 - (b) the clearance to deal in accordance with (a) above must be valid for no longer than five business days of clearance being received.

Note: For the avoidance of doubt, the restriction under A.1 of this code applies in the event that price-sensitive information develops following the grant of clearance.

9. A written record is maintained by the Company Secretary that the appropriate notification was given and acknowledged pursuant to rule B.8 of this code.
10. After a Relevant Employee has dealt in the securities of the Company, he should advise the Company to update the record of Relevant Employees' interests in such securities.
11. Any Relevant Employee of the Company who acts as trustee of a trust must ensure that his co-trustees are aware of the identity of any company of which he is a Relevant Employee so as to enable them to anticipate possible difficulties. A Relevant Employee having funds under management must likewise advise the investment manager.
12. Any Relevant Employee who is a beneficiary, but not a trustee, of a trust which deals in securities of the Company must endeavour to ensure that the trustees notify him after they have dealt in such securities on behalf of the trust, in order that he in turn may notify the Company. For this purpose, he must ensure that the trustees are aware of the Company of which he is a Relevant Employee.

C. Exceptional circumstances

13. If a Relevant Employee proposes to sell or otherwise dispose of securities of the Company under exceptional circumstances where the sale or disposal is otherwise prohibited under this code, the Relevant Employee must, in addition to complying with the other provisions of this code, comply with the provisions of rule B.8 of this code regarding prior written notice and acknowledgement. The Relevant Employee must satisfy the Chief Executive Officer that the circumstances are exceptional and the proposed sale or disposal is the only reasonable course of action available to the Relevant Employee before the Relevant Employee can sell or dispose of the securities. The Company shall give written notice of such sale or disposal to The Stock Exchange of Hong Kong Limited as soon as practicable stating why it considered the circumstances to be exceptional. The Company shall publish an announcement in accordance with rule 2.07C immediately after any such sale or disposal and state that the Chief Executive Officer is satisfied that there were exceptional circumstances for such sale or disposal of securities by the Relevant Employee. An example of the type of circumstances which may be considered exceptional for such purposes would be a pressing financial commitment on the part of the Relevant Employee that cannot otherwise be satisfied.