

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in 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, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in 佐力科創小額貸款股份有限公司 (Zuoli Kechuang Micro-finance Company Limited\*), you should at once hand this circular, together with the accompanying form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**佐力科創小額貸款股份有限公司**  
**(Zuoli Kechuang Micro-finance Company Limited\*)**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 6866)**

**REPORT OF THE DIRECTORS FOR THE YEAR 2018,  
REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2018,  
ANNUAL REPORT FOR THE YEAR 2018,  
THE COMPANY'S AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR 2018,  
PROFIT DISTRIBUTION PLAN FOR THE YEAR 2018,  
EXTERNAL AUDITOR'S FEES FOR THE YEAR 2018,  
RE-APPOINTMENT OF  
THE COMPANY'S EXTERNAL AUDITOR,  
BANK CREDIT APPLICATIONS,  
ELECTION OF EXECUTIVE DIRECTOR,  
THE GRANTS OF EXTERNAL GUARANTEES,  
GENERAL MANDATE TO ISSUE SHARES,  
ISSUE OF DEBT FINANCING INSTRUMENTS  
AND  
NOTICE OF AGM**

A notice of convening the AGM of the Company to be held at Conference Room, 3rd Floor, Zuoli Building, No. 399 Deqing Avenue, Wukang Road, Deqing County, Huzhou City, Zhejiang Province, the PRC at 3:00 p.m. on Friday, 28 June 2019 is set out on pages 12 to 18 of this circular. A form of proxy for use at the AGM is also enclosed with this circular. Whether or not you are able to attend and vote at the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the H Shares registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in respect of H Shares), or to the Company's registered office in the PRC at No. 399 Deqing Avenue, Wukang Road, Deqing County, Huzhou City, Zhejiang Province, the PRC (in respect of Domestic Shares) as soon as possible but in any event by not later than 24 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

\* For identification purpose only

30 April 2019

# CONTENTS

	<i>Page</i>
<b>DEFINITIONS .....</b>	<b>1</b>
<b>LETTER FROM THE BOARD</b>	
1. Introduction .....	4
2. The AGM and Proxy Arrangement .....	10
3. Responsibility Statement .....	11
4. Recommendation .....	11
<b>NOTICE OF 2018 ANNUAL GENERAL MEETING .....</b>	<b>12</b>

## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Conference Room, 3rd Floor, Zuoli Building, No. 399 Deqing Avenue, Wukang Road, Deqing County, Huzhou City, Zhejiang Province, the PRC at 3:00 p.m. on 28 June 2019, the notice of which is set out on page 12 to 18 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Board”	the board of Directors
“Company”	佐力科創小額貸款股份有限公司 (Zuoli Kechuang Micro-finance Company Limited*), a joint stock company incorporated in the PRC with limited liability on 18 August 2011 and the H Shares of which are listed on the Stock Exchange
“Company Law”	《中華人民共和國公司法》 (the Company Law of the PRC*), as amended, modified or otherwise supplemented from time to time
“Deqing”	Deqing County, Huzhou, Zhejiang, where the Company principally operates
“Director(s)”	the director(s) of the Company
“Domestic Shares”	ordinary shares issued by the Company, with RMB-denominated par value of RMB1.00 each, which are subscribed for and paid up in RMB
“General Meeting”	general meeting of the Shareholders
“H Shares”	ordinary shares issued by the Company, with RMB-denominated par value of RMB1.00 each, which are subscribed for and paid up in HKD and listed on the Stock Exchange
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

\* For identification purpose only

## DEFINITIONS

“Latest Practicable Date”	23 April 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange, as amended, modified or otherwise supplemented from time to time
“Notice”	the notice of the AGM as set out on pages 12 to 18 of this circular
“PRC”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	《中華人民共和國證券法》(the Securities Law of the PRC*), as amended, modified or otherwise supplemented from time to time
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, modified or otherwise supplemented from time to time
“Share(s)”	the Domestic Share(s) and the H Share(s)
“Shareholders”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the member(s) of the supervisory committee of the Company established pursuant to the Company Law
“Zhejiang”	Zhejiang Province, a province located in the southeastern coast of the PRC
“%”	percent

*For the purpose of this circular, conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.17. The exchange rate has been used, where applicable, for the purposes of illustration only and do not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.*

## LETTER FROM THE BOARD



佐力科創小額貸款股份有限公司  
(Zuoli Kechuang Micro-finance Company Limited\*)

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6866)

*Executive Directors:*

Mr. Yu Yin (Chairman)  
Mr. Zheng Xuegen  
Mr. Yang Sheng

*Non-executive Director:*

Mr. Pan Zhongmin

*Independent Non-executive Directors:*

Mr. Ho Yuk Ming, Hugo  
Mr. Jin Xuejun  
Ms. Huang Lianxi

*Registered Office:*

No. 399, Deqing Avenue,  
Wukang Road,  
Deqing County,  
Huzhou City,  
Zhejiang Province, the PRC

*Principal Place of Business  
in Hong Kong:*

33rd Floor,  
Shui On Centre,  
6–8 Harbour Road,  
Wanchai, Hong Kong

30 April 2019

*To the Shareholders*

Dear Sir or Madam,

**REPORT OF THE DIRECTORS FOR THE YEAR 2018,  
REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2018,  
ANNUAL REPORT FOR THE YEAR 2018,  
THE COMPANY'S AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR 2018,  
PROFIT DISTRIBUTION PLAN FOR THE YEAR 2018,  
EXTERNAL AUDITOR'S FEES FOR THE YEAR 2018,  
RE-APPOINTMENT OF  
THE COMPANY'S EXTERNAL AUDITOR,  
BANK CREDIT APPLICATIONS,  
ELECTION OF EXECUTIVE DIRECTOR,  
THE GRANTS OF EXTERNAL GUARANTEES,  
GENERAL MANDATE TO ISSUE SHARES,  
ISSUE OF DEBT FINANCING INSTRUMENTS  
AND  
NOTICE OF AGM**

\* For identification purpose only

## LETTER FROM THE BOARD

### INTRODUCTION

The purpose of this circular is to give you the Notice and provide you with relevant information to enable you to make informed decision on whether to vote for or against the resolutions (among others) to be proposed at the AGM for the following issues, to be approved by way of ordinary resolutions or special resolutions:

### ORDINARY RESOLUTIONS

- (1) Report of the Directors for the year 2018;
- (2) Report of the board of Supervisors for the year 2018;
- (3) Annual report for the year 2018;
- (4) The Company's audited financial statements for the year 2018;
- (5) Profit distribution plan for the year 2018;
- (6) External auditor's fees for the year 2018;
- (7) Re-appointment of KPMG as the Company's external auditor;
- (8) Bank Credit applications; and
- (9) Election of executive Director;

### SPECIAL RESOLUTION

- (10) The grants of external guarantees;
- (11) General mandate to issue Shares; and
- (12) Issue of the debt financing instruments.

### (1) REPORT OF THE DIRECTORS FOR THE YEAR 2018

An ordinary resolution will be proposed at the AGM to approve the report of the Directors for the year 2018, the text of which is set out in the Company's annual report dispatched on 30 April 2019.

### (2) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2018

An ordinary resolution will be proposed at the AGM to approve the report of the board of Supervisors for the year 2018, the text of which is set out in the Company's annual report dispatched on 30 April 2019.

## LETTER FROM THE BOARD

### **(3) ANNUAL REPORT FOR THE YEAR 2018**

An ordinary resolution will be proposed at the AGM to approve the annual report for the year 2018 dispatched on 30 April 2019.

### **(4) THE COMPANY'S AUDITED FINANCIAL STATEMENTS FOR THE YEAR 2018**

An ordinary resolution will be proposed at the AGM to approve the Company's audited financial statements for the year ended 31 December 2018, the text of which is set out in the Company's annual report dispatched on 30 April 2019.

### **(5) PROFIT DISTRIBUTION PLAN FOR THE YEAR 2018**

According to the Articles of Association, an ordinary resolution will be proposed at the AGM to approve the Company's profit distribution plan for the year 2018.

The Board proposed to the payment of a final dividend at RMB0.125 per share for the year ended 31 December 2018.

### **(6) EXTERNAL AUDITOR'S FEES FOR THE YEAR 2018**

An ordinary resolution will be proposed at the AGM to approve the fees paid or payable to the external auditor of the Company, KPMG, for the year ended 31 December 2018.

During the year ended 31 December 2018, the annual fees payable to KPMG in respect of its audit services provided to the Company was RMB1.7 million.

### **(7) RE-APPOINTMENT OF KPMG AS THE COMPANY'S EXTERNAL AUDITOR**

An ordinary resolution will be proposed at the AGM to consider and approve the re-appointment of KPMG as the Company's external auditor for a term until the conclusion of the next annual general meeting of the Company, and to authorise the Board and the authorised person of the Board to determine its remuneration.

### **(8) BANK CREDIT APPLICATIONS**

In order to further expand the capital source of the Company, benefit the expansion of the Company's business and increase the leverage ratio of the Company, the Company intends to apply a comprehensive credit line not exceeding RMB800 million (including RMB800 million) from the bank with the actual bank interest rate during the period of obtaining credit, to supplement the working capital of the Company in the year of 2019. The amount of credit applied by the Company will ultimately depend on the actual credit amount approved by the bank. The specific financing amount will be determined in accordance with the actual needs of working capital of the Company.

## LETTER FROM THE BOARD

Within the scope of annual credit limit approved in the general meeting of the Company, to authorise the chairman of the Board to execute any legal documents in connection with the above credit limit on behalf of the Company, all legal and economic liabilities arising therefrom shall be borne by the Company. The chief financial officer of the Company is responsible for matters such as the execution of bank credit applications.

### (9) ELECTION OF EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated 18 April 2019 in relation to the proposed election of executive Director. The Board has approved the proposal to elect Ms. Hu Fangfang (“Ms. Hu”) as an executive Director. The proposed term of office of Ms. Hu shall start from the date upon which the AGM approves her appointment as an executive Director and ends on the expiry date of the second session of the Board.

The biographical details of Ms. Hu are as follows:

**Ms. Hu**, aged 38, joined the Company as the Chief Financial Controller and a member of the Loan Approval Committee on 1 July 2015. Ms. Hu is responsible for coordinating and guiding the financial management, budget management, accounting and auditing and internal control aspects of the Company. As executive Director, Ms. Hu will be responsible for formulating the Company’s financial strategies, organize and implement important internal audit activities, coordinate fund raising activities for working capital of the Company’s operation and prepare the Company’s financial planning. She will also be responsible for monitoring the financial affairs of the Company’s subsidiaries, assist senior management in implementing business strategies and operation plans to achieve the Company’s operation and management targets and development goals. Prior to joining the Company, Ms. Hu has built up extensive experience on financial management. From July 2004 to November 2006, Ms. Hu worked in Zhejiang Jiangong Real Estate Development Group Company Limited (浙江建工房地產開發集團有限公司) and engaged in financial duties. From November 2006 to December 2008, she worked in Zhejiang Dongfang Accountants Company Limited (浙江東方會計師事務所有限公司) and engaged in on-site audit works. From December 2008 to June 2015, Ms. Hu served as a manager of Pan-China Certified Public Accountants LLP (天健會計師事務所(特殊普通合夥)). Ms. Hu has served as a director of Jinhui Micro-finance, a subsidiary of the Company since July 2015. Ms. Hu has served as a supervisor of Xingyao Micro-finance, a subsidiary of the Company since December 2016.

Ms. Hu graduated from Zhejiang Institute of Finance and Economics (浙江財經學院) (currently known as Zhejiang University of Finance and Economics (浙江財經大學)) with a bachelor of management degree (major in accounting) in 2004. Ms. Hu was admitted as a certified public accountant of the Chinese Institute of Certified Public Accountants in 2007.

To the best knowledge of the Directors, Ms. Hu has not served in any directorship of any public companies listed in any market (whether in Hong Kong, overseas or otherwise) for the past three years. She has no relationship with any Director, senior management, substantial or controlling Shareholders of the Company, and save as disclosed above he does not hold any position in the Company or any of its subsidiaries. As at the Latest Practicable Date, Ms. Hu does



## LETTER FROM THE BOARD

not hold any interests (within the meaning of Part XV of the SFO) in any shares of the Company or its associated corporation. Save as disclosed above, with respect to the appointment of Ms. Hu, there is no other information to be disclosed as required under Rule 13.51 (2) of the Listing Rules, nor any matters to be brought to the attention of the Shareholders.

### **(10) THE GRANTS OF EXTERNAL GUARANTEES**

In order to meet the production, operation and development needs of the Company's holding subsidiaries and enhance its market competitiveness, the Company intends to provide external guarantees with a total amount of no more than RMB1 billion (including RMB1 billion) (the "External Guarantee Quota") to its holding subsidiaries pursuant to the relevant requirements of the Securities Law, the Company Law, the Listing Rules and other applicable laws and regulations. The Board resolved to submit to the Shareholders at the AGM for considering and approving the following mandates (the "Mandates") to the Board:

- (i) in the extent of External Guarantee Quota that implement the required guarantee amounts by steps, as well as sign and guarantee the relevant legal documents, pursuant to the major business operations of each of the Company's holding subsidiaries;
- (ii) in the extent of External Guarantee Quota that could adjust the actual guarantee amounts amongst the holding subsidiaries on the basis of the actual needs of each holding subsidiary of the Company.

The Mandates shall be deemed effective until 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 to be held by the Articles of Association or other applicable laws and regulations; or (iii) the date on which the granted authority under relevant resolution of the Shareholders is revoked or varied by a special resolution of the Shareholders in a General Meeting. The Company will perform the continuous disclosure obligations related to the progress of the related external guarantees pursuant to the applicable laws and regulations.

### **(11) GENERAL MANDATE TO ISSUE SHARES**

To increase flexibility and efficiency in the Company's operation, a special resolution is proposed by the Company to grant the general mandate to the Directors to allot, issue and otherwise deal with additional Domestic Shares and/or H Shares, up to a limit of 20% of each of the number of the Domestic Shares and H Shares, respectively, in issue on the date of passing such resolution. As at the Latest Practicable Date, the issued share capital of the Company comprised 880,000,000 Domestic Shares and 300,000,000 H Shares. Subject to the passing of the resolution of the granting of the general mandate and on the basis that no further Shares will be issued before the AGM, the Company will be allowed to issue a maximum of 176,000,000 Domestic Shares and 60,000,000 H Shares under the general mandate.

## LETTER FROM THE BOARD

The general mandate shall be deemed effective until 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 to be held by the Articles of Association or other applicable laws and regulations; or (iii) the date on which the granted authority under relevant resolution of the Shareholders is revoked or varied by a special resolution of the Shareholders in a General Meeting.

Pursuant to the general mandate, the Board shall be authorised to determine the specific issue plan, including but not limited to: (i) to determine the amount of the Domestic Shares and/or H Shares to be allotted; (ii) to determine the issue price of the new Domestic Shares and/or H Shares; (iii) to determine the date(s) on which the issue of new Domestic Shares and/or H Shares is/are to be commence and close; (iv) to determine the number of new Domestic Shares and/or H Shares, if applicable, to be issued to the existing holders of Domestic Shares and/or H Shares; (v) to make or grant an offer, agreement and option necessary for the exercise of such powers; and (vi) where prohibited and required by foreign laws or regulations, or by other reasons which in the opinion of the Board are appropriate, to determine that the offer of subscription for and issue of shares to holders of H Shares shall exclude shareholders residing in the PRC or the offer of subscription for and issue of shares to holders of Domestic Shares shall exclude shareholders residing outside the PRC.

Any exercise of the power by the Board under the general mandate shall comply with the relevant requirements of the Listing Rules, the Articles of Association, the applicable laws and regulations of the PRC and all the necessary approvals of relevant government authorities. As at the Latest Practicable Date, the Board does not have any definitive plan to issue any new Shares pursuant to the general mandate.

### **(12) ISSUE OF DEBT FINANCING INSTRUMENTS**

In order to further expand financing channels of the Company, develop the business and lower the financing cost of the Company, the Board resolved to submit to the Shareholders at the AGM for consideration and, if thought fit, approval of the proposed issue of the debt financing instrument with an aggregate principal amount of not more than RMB2 billion (including RMB2 billion) (the “Debt Financing Instruments”) inside or outside the PRC.

According to the laws and regulations of the PRC and the Articles of Association, the proposed issue of the Debt Financing Instruments is subject to the approval of the Shareholders by way of a special resolution at the AGM and the approval by relevant regulatory authorities.

#### **(1) Arrangements for the issue**

Size of issue:	not more than RMB2 billion in aggregate (including RMB2 billion), excluding existing debt financing instruments, hybrid financing instruments and equity financing instruments;
----------------	---

## LETTER FROM THE BOARD

Categories of issue:	one or several categories of debt financing instruments including but not limited to super short-term debentures, short-term debentures, medium-term notes, private placement of debt financing instruments, assets-backed notes, project revenue notes, corporate bonds, enterprise assets-backed bonds, overseas bond issuance, and other type of debt financing instrument issued inside or outside the PRC;
Maturity:	not more than five years (including five years) for the term of each Debt Financing Instruments; and
Use of proceeds:	supplement of working capital.

### **(2) Authorisation to the Board**

It will be submitted to the AGM to authorise the Board to deal with, in the best interest of the Company, all matters relating to the proposed issue of Debt Financing Instruments, including but not limited:

- (i) to consider the issue of Debt Financing Instruments in accordance with needs of the Company, to deal with the specific proposals, specific terms and conditions and other relevant matters for the issue of public Debt Financing Instruments in accordance with the market conditions, including but not limited to the issue subject, size of issue, interest rate, duration, type and condition of guarantee, intended investors, use of proceeds, arrangement for offering in tranches (if any) and producing, filing, executing, signing, accepting and publishing of any necessary legal documents;
- (ii) to make any changes or adjustments to the relevant matters of the issue of the Debt Financing Instruments with reference to the comments from relevant regulatory authorities or the market conditions if there is any change to the regulatory policies or the market conditions;
- (iii) to sign all necessary legal documents regarding to the issue of Debt Financing Instruments;
- (iv) to decide the engagement of intermediaries necessary for the issue of Debt Financing Instruments; and
- (v) to determine any other matters relating the issue of Debt Financing Instruments.

## LETTER FROM THE BOARD

- (3) The abovementioned authorisation shall be deemed effective until 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 to be held by the Articles of Association or other applicable laws and regulations; or (iii) the date on which the granted authority under relevant resolution of the Shareholders is revoked or varied by a special resolution of the Shareholders in a General Meeting.

### THE AGM AND PROXY ARRANGEMENT

#### Notice

The AGM will be held at Conference Room, 3rd Floor, Zuoli Building, No. 399 Deqing Avenue, Wukang Road, Deqing County, Huzhou City, Zhejiang Province, the PRC at 3:00 p.m. on Friday, 28 June 2019. The Notice is set out on pages 12 to 18 of this circular.

#### Closure of books

The register of members of the Company will be closed from Wednesday, 29 May 2019 to Friday, 28 June 2019, both days inclusive, during which period no transfer of Shares will be effected. In order to be qualified to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the H Share registrar of the Company, namely Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in respect of H Shares), or to the Company's registered office in the PRC at No. 399 Deqing Avenue, Wukang Road, Deqing County, Huzhou City, Zhejiang Province, the PRC (in respect of Domestic Shares) no later than 4:30 p.m. on Tuesday, 28 May 2019.

#### Attendance slip and proxy form

If you are eligible and intend to attend the AGM, please complete and return the attendance slip, in accordance with the instructions printed thereon as soon as possible and in any event no later than 20 days before the date appointed for holding such meeting or any adjournment thereof.

Shareholders who intend to attend the AGM by proxy are required to complete and return the proxy form, in accordance with the instructions printed thereon as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

## LETTER FROM THE BOARD

### Voting by poll at the AGM

Pursuant to Rule 13.39(4) of the Listing Rules, the resolutions to be proposed at the AGM as set out in the Notice set out at the end of this circular must be taken by poll. The chairman of the AGM will therefore demand a poll for every such resolution put to the vote at the AGM. On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share of the Company registered in his or her name in the register of Shareholders. A Shareholder entitled to more than one vote need not use all his or her votes or cast all the votes he or she uses in the same way.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### RECOMMENDATION

The Board considers that all resolutions set out in the Notice for the Shareholders' consideration and approval are in the best interests of the Company and its Shareholders as a whole. As such, the Board recommends the Shareholders to vote in favor of the resolutions set out in the Notice which are to be proposed at the AGM.

Yours faithfully,  
By order of the Board of  
佐力科創小額貸款股份有限公司  
(Zuoli Kechuang Micro-finance Company Limited\*)  
**YU Yin**  
*Chairman*



佐力科創小額貸款股份有限公司  
(Zuoli Kechuang Micro-finance Company Limited\*)

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6866)

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of 佐力科創小額貸款股份有限公司 (Zuoli Kechuang Micro-finance Company Limited\*) (the “Company”) for the year ended 31 December 2018 will be held at Conference Room, 3rd Floor, Zuoli Building, No. 399 Deqing Avenue, Wukang Road, Deqing County, Huzhou City, Zhejiang Province, the People's Republic of China at 3:00 p.m. on 28 June 2019 to consider and, if thought fit, to pass, with or without modifications, the following resolutions of the Company:

**ORDINARY RESOLUTIONS**

1. To receive, consider and approve the report of the board of directors of the Company for the year ended 31 December 2018;
2. To receive, consider and approve the report of the board of supervisors of the Company for the year ended 31 December 2018;
3. To receive, consider and approve the annual report of the Company for the year ended 31 December 2018;
4. To receive, consider and approve the Company's audited financial statements for the year ended 31 December 2018;
5. To consider and approve the Company's profit distribution plan for the year ended 31 December 2018;
6. To consider and approve the Company's external auditor's fees for the year ended 31 December 2018;
7. To consider and approve the re-appointment of KPMG as the Company's external auditor for a term until the conclusion of the next annual general meeting of the Company and other applicable laws and regulations, and to authorise the board of directors of the Company to determine its remuneration;
8. To consider and approve the application for a credit line from the bank with an amount not exceeding RMB800 million (including RMB800 million); and

\* For identification purpose only

## NOTICE OF 2018 ANNUAL GENERAL MEETING

9. To consider and approve the election of Ms. Hu Fangfang as an executive Director of the 2nd session of the board of directors of the Company;

### SPECIAL RESOLUTION

10. To consider and approve the external guarantees of the Company with an aggregated amount not exceeding RMB1 billion (including RMB1 billion);
11. To consider and approve the following as a special resolution of the Company:

**“THAT:**

- (1) in accordance with the requirements of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), the Company Law of the People’s Republic of China (the “**PRC**”), as well as other applicable laws and regulations, in each case as amended from time to time, a general mandate be granted to the board of directors of the Company (the “**Board**”) to exercise, for once or more than once, all the power of the Company to allot, issue and deal with Domestic Shares (as defined below) and/or H Shares (as defined below) or securities convertible into such shares or options, warrants or similar rights to subscribe for any such shares or such convertible securities (including the power to make or grant any offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which would or might require the exercise of such powers) during the Relevant Period (as defined below):

In exercising the power to allot, issue and deal with the Domestic Shares and/or H Shares, the authority of the Board to determine the specific issue plan shall include (but not limited to) the following:

- (i) to determine the amount of the Domestic Shares and/or H Shares to be allotted;
- (ii) to determine the issue price of the new Domestic Shares and/or H Shares;
- (iii) to determine the date(s) on which the issue of new Domestic Shares and/or H Shares is/are to be commence and close;
- (iv) to determine the number of new Domestic Shares and/or H Shares, if applicable, to be issued to the existing holders of Domestic Shares and/or H Shares;
- (v) to make or grant an offer, agreement and option necessary for the exercise of such powers; and

## NOTICE OF 2018 ANNUAL GENERAL MEETING

- (vi) where prohibited and required by foreign laws or regulations, or by other reasons which in the opinion of the Board are appropriate, to determine that the offer of subscription for and issue of shares to holders of H Shares shall exclude shareholders residing in the PRC or the offer of subscription for and issue of shares to holders of Domestic Shares shall exclude shareholders residing outside the PRC;
- (a) upon the exercise of the powers granted to the Board above, the Board may during the Relevant Period make or grant any offers, agreements, or options which might require the exercise of such powers either during or after the expiration of the Relevant Period;
- (b) the aggregate number of Domestic Shares and H Shares to be allotted or agreed conditionally or unconditionally to be allotted by the Board pursuant to such mandate granted to the Board above shall not exceed:
  - (i) 20 per cent of the number of Domestic Shares in issue; and
  - (ii) 20 per cent of the number of H Shares in issue;

in each case as of the date of the passing of this resolution, otherwise than pursuant to (i) a Right Issue (as defined below); (ii) any scrip dividend or similar arrangement providing for 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; (iii) the exercise of any right of subscription or conversion under the terms of any bonds, warrants or debentures which may be issued by the Company or any securities which are convertible into shares of the Company; or (iv) a specific authority granted by the shareholders of the Company in general meeting; and

- (c) the Board shall only exercise its power under such mandate in accordance with the Company Law of the PRC, the Listing Rules and other applicable laws and regulations (in each case as amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities have been obtained;

For the purpose of this resolution:

“Domestic Shares” means ordinary shares issued by the Company, with RMB-denominated par value of RMB1.00 each, which are subscribed for and paid up in RMB;

“H Shares” means the ordinary shares issued by the Company, with RMB-denominated par value of RMB1.00 each, which are subscribed for and paid up in HKD and listed on the Stock Exchange; and



## NOTICE OF 2018 ANNUAL GENERAL MEETING

“Relevant Period” means the period from the passing of the resolution at the AGM until the earliest of:

- (A) the conclusion of the next annual general meeting of the Company; or
  - (B) 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 other applicable laws to be held; or
  - (C) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting; or
  - (D) “Rights Issue” means an offer of shares of the Company or offer or issue of options, warrants or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Board to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements and having regard to any legal or practical problems, restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company) and an offer, allotment or issue of shares by way of rights shall be construed accordingly; and
- (2) subject to the Board resolving to issue shares pursuant to subparagraph (1) of this resolution, the Board be authorised to:
- (a) formulate and implement the specific issuance plan with details including but not limited to: the class and number of the shares of the Company to be issued; the pricing method and/or issue price (including the range of issue price); the start and end date of the issuance; use of proceeds; and other matters to be included in a specific issuance plan as required by the relevant laws, regulations and other regulatory documents, relevant regulatory institutions as well as the stock exchange of the place where the H Shares are listed;
  - (b) approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares including, without limitation, the agreement for the engagement of any professional parties, making all necessary applications to the relevant authorities, entering into an underwriting agreement (or any other agreement) and making appropriate amendments;
  - (c) make all necessary filings and registrations with the relevant PRC and Hong Kong authorities; and

## NOTICE OF 2018 ANNUAL GENERAL MEETING

- (d) increase the registered capital of the Company in accordance with the actual increase of capital by issuing shares pursuant to sub-paragraph (1) of this resolution, to register the increase of capital with the relevant authorities in the PRC and to make such amendments to the articles of association of the Company as it thinks fit so as to reflect the increase and any other changes in the registered capital of the Company.”

12. To consider and approve the following as a special resolution of the Company:

“**THAT:** the issue of the debt financing instruments with an aggregate principal amount of not more than RMB2 billion (including RMB2 billion) (the “Debt Financing Instruments”), on the terms set forth below be and is detailed below and hereby approved:

- (a) Size of issue: not more than RMB2 billion in aggregate (including RMB2 billion), excluding existing debt financing instruments, hybrid financing instruments and equity financing instruments;
- (b) Categories of issue: one or several categories of Debt Financing Instruments including but not limited to super short-term debentures, short-term debentures, medium-term notes, private placement of Debt Financing Instruments, assets-backed notes, project revenue notes, corporate bonds, enterprise asset-backed bonds, overseas bond issuance, and other type of Debt Financing Instrument issued inside or outside the PRC;
- (c) Maturity: not more than five years for the term of each Debt Financing Instruments (including five years);
- (d) Use of proceeds: supplement of working capital;
- (e) Authorisation: the board of directors of the Company be and is hereby authorised to deal with all matters relating to the proposed issue of Debt Financing Instruments, including but not limited to:
  - (i) to consider the issue of Debt Financing Instruments in accordance with the needs of the Company, to deal with the specific proposals, specific terms and conditions and other relevant matters for the issue of public Debt Financing Instrument in accordance with the market conditions, including but not limited to the issue subject, size of issue, interest rate, duration, type and condition of guarantee, intended investors, use of proceeds, arrangement for offering in tranches (if any) and producing, filing, executing, signing, accepting and publishing of any necessary legal documents;
  - (ii) to make any changes or adjustments to the relevant matters of the issue of the Debt Financing Instruments with reference to the comments from relevant regulatory authorities or the market conditions if there is any change to the regulatory policies or the market conditions;

## NOTICE OF 2018 ANNUAL GENERAL MEETING

- (iii) to sign all necessary legal documents regarding to the issue of Debt Financing Instruments;
- (iv) to decide the engagement of intermediaries necessary for the issue of Debt Financing Instruments; and
- (v) to determine any other matters relating the issue of Debt Financing Instruments.
- (f) The abovementioned authorisation shall be deemed effective until 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 to be held by the Articles of Association or other applicable laws and regulations; or (iii) the date on which the granted authority under relevant resolution of the Shareholders is revoked or varied by a special resolution of the Shareholders in a General Meeting.”

By order of the Board of  
佐力科創小額貸款股份有限公司  
(Zuoli Kechuang Micro-finance Company Limited\*)  
YU Yin  
Chairman

Hong Kong, 30 April 2019

\* For identification purpose only

*Notes:*

1. The register of members of the Company will be closed from Wednesday, 29 May 2019 to Friday, 28 June 2019, both days inclusive, during which period no transfer of Shares will be effected. In order to be qualified to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the H Share registrar of the Company (in respect of H Shares), Computershare Hong Kong Investor Services Limited, or to the Company's registered office in the PRC (in respect of Domestic Shares) no later than 4:30 p.m. on Tuesday, 28 May 2019.
2. Any shareholders of the Company (the "Shareholders") who is entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his/her behalf. A proxy needs not be a Shareholder.
3. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same.
4. In order to be valid, the proxy form must be deposited, for the holders of H Shares, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, or for the holders of Domestic Shares, to the Company's registered office in the PRC, not less than 24 hours before the time for holding the AGM (or any adjournment thereof). If the proxy form is signed by a person under a power of attorney or other authorisation instrument, a notarially certified copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the AGM or any adjourned meetings should you so wish.

## NOTICE OF 2018 ANNUAL GENERAL MEETING

5. If corporate Shareholders appoint any authorised representative to attend the AGM, the authorised representative shall produce his/her identity documents and a notarially certified copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate Shareholders or other notarially certified documents allowed by the Company.
6. Shareholders who intend to attend the AGM should complete and return the reply slip in writing by hand or by post to the Company's H Shares registrar in Hong Kong (for holders of H Shares) or the registered office of the Company in the PRC (for holders of Domestic Shares) on or before 8 June 2019.
7. The AGM is expected to be held for less than half a day. Shareholders who intend to attend the AGM shall arrange and bear their own transportation and accommodation expenses.
8. The name and address of the Company's H shares registrar in Hong Kong is as follows:

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor and 17M Floor,  
Hopewell Centre,  
183 Queen's Road East,  
Wanchai,  
Hong Kong
9. The registered office of the Company in the PRC is as follows:

No. 399 Deqing Avenue,  
Wukang Road,  
Deqing County,  
Huzhou City,  
Zhejiang Province,  
The PRC
10. Where there are joint registered holders of any Share(s), any one of such joint holders may attend and vote at the AGM, either in person or by proxy, in respect of such Share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the AGM or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
11. As at the date of this notice, the board of directors (the "Director(s)") of the Company comprises three executive Directors, namely Mr. YU Yin (the Chairman), Mr. ZHENG Xuegen and Mr. YANG Sheng; one non-executive Director, namely Mr. PAN Zhongmin; and three independent non-executive Directors, namely Mr. HO Yuk Ming, Hugo, Mr. JIN Xuejun and Ms. HUANG Lianxi.