
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for independent advice.

If you have sold or transferred all your shares in CHINA SANDI HOLDINGS LIMITED, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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**CHINA SANDI HOLDINGS LIMITED****中國三迪控股有限公司***(incorporated in Bermuda with limited liability)***(Stock Code: 910)****PROPOSAL FOR GENERAL MANDATES TO
ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting (the “AGM”) of CHINA SANDI HOLDINGS LIMITED to be held at 11:00 a.m. on Friday, 12 June 2020 at 6/F, Ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong, is set out on pages 14 to 18 of this circular. A form of proxy for use at the AGM is enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.chinasandi.com.hk).

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 Company’s Hong Kong branch share registrar, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

The Chinese translation of this circular is for reference only, and in case of any inconsistency, the English version shall prevail.

12 May 2020

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DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at 6/F, Ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong, at 11:00 a.m. on Friday, 12 June 2020 to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 18 of this circular, or any adjournment thereof;
“associate(s)”,”close associate(s)”,”controlling shareholder(s)” or “core connected person(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors from time to time;
“BVI”	the British Virgin Islands;
“Bye-law(s)”	the bye-laws of the Company, as amended, modified or otherwise supplemented from time to time;
“Company”	CHINA SANDI HOLDINGS LIMITED, a company incorporated in Bermuda 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 from time to time;
“Extension Mandate”	the refreshment of the general mandate proposed to be sought at the AGM to authorise the Directors to issue further Shares of an aggregate number of Shares equal to the aggregate number of Shares repurchased under the Repurchase Mandate;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	5 May 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;

DEFINITIONS

“Listing Committee”	the listing sub-committee of the board for the main board of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Issue Mandate”	the refreshment of the general mandate proposed to be sought at the AGM to authorise the Directors to allot and issue additional Shares of not exceeding 20% of the aggregate number of issued Shares as at the date of the AGM;
“PRC”	the People’s Republic of China, excluding Hong Kong, Macao and Taiwan for the purpose of this circular;
“Repurchase Mandate”	the refreshment of the general mandate proposed to be sought at the AGM to authorise the Directors to repurchase Shares of not exceeding 10% of the aggregate number of issued Shares as at the date of the AGM;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	the Securities and Future (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules;
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD



CHINA SANDI HOLDINGS LIMITED

中國三迪控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 910)

Executive Directors:

Mr. Guo Jiadi (*Chairman*)

Ms. Amika Lan E Guo

Mr. Wang Chao

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-executive Directors

Mr. Chan Yee Ping, Michael

Ms. Ma Shujuan

Mr. Zheng Yurui

Head office and principal

place of business in Hong Kong:

Room 3405, 34th Floor,

China Merchants Tower

Shun Tak Centre,

168-200 Connaught Road Central

Hong Kong

12 May 2020

To the Shareholders and, for information only, holders of options and warrants of the Company,

Dear Sir or Madam,

**PROPOSAL FOR GENERAL MANDATES TO
ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the annual general meeting of the Company held on 31 May 2019, general mandates were given to the Directors to allot, issue and deal with additional Shares and to repurchase Shares on the Stock Exchange. These general mandates will expire at the conclusion of the forthcoming Annual General Meeting.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information relating to the following resolutions to be proposed at the Annual General Meeting together with a notice convening the Annual General Meeting:

- (a) general mandate to issue Shares;
- (b) general mandate to repurchase Shares;
- (c) extension of the general mandate to issue Shares;
- (d) re-election of retiring Directors.

2. GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

At the Annual General Meeting, it will be proposed, by way of an ordinary resolution, that the Directors be given a general and unconditional mandate to exercise all powers of the Company to issue new Shares of up to 20% of the number of issued Shares as at the date of the passing of the ordinary resolution. As at the Latest Practicable Date, the Company had an aggregate of 5,087,207,546 Shares in issue. Assuming no repurchase or issue of Shares will be made by the Company up to the date of the Annual General Meeting, the Directors would be allowed to issue and deal with a maximum of 1,017,441,509 Shares (representing approximately 20% of 5,087,207,546 Shares in issue as at the date of the passing of the resolution granting the New Issue Mandate) under the New Issue Mandate.

At the Annual General Meeting, an ordinary resolution will be proposed to give the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase Shares of up to a maximum of 508,720,754 Shares (representing approximately 10% of the aggregate number of Shares in issue as at the date of the passing of the ordinary resolution).

In addition, it will also be proposed, by way of a separate ordinary resolution, that the New Issue Mandate be extended so that the Directors will be given a general mandate to issue further Shares of an aggregate number of Shares equal to the aggregate number of Shares repurchased under the Repurchase Mandate.

The New Issue Mandate, the Repurchase Mandate and the Extension Mandate, if approved, will continue in force until the conclusion of the next annual general meeting of the Company or the expiry date for the holding of the next annual general meeting or until revoked or varied by ordinary resolution of Shareholders in any general meeting prior to the next annual general meeting.

An explanatory statement as required under the Listing Rules to provide the requisite information regarding the Repurchase Mandate is set out in Appendix I to this circular. This contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions.

LETTER FROM THE BOARD

3. RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of six Directors, namely, Mr. Guo Jiadi, Ms. Amika Lan E Guo, Mr. Wang Chao, Mr. Chan Yee Ping, Michael, Ms. Ma Shujuan and Mr. Zheng Yurui.

Pursuant to the Bye-laws 111(A) and 111(B) of the Bye-laws of the Company, Mr. Wang Chao and Ms. Ma Shujuan shall retire from office by rotation and, being eligible, all of them will offer themselves for re-election at the Annual General Meeting.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice convening the Annual General Meeting is set out on pages 14 to 18 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the New Issue Mandate, the Repurchase Mandate, the Extension Mandate, and the re-election of the retiring Directors. A form of proxy for use at the Annual General Meeting is enclosed. No Shareholder is required to abstain from voting at the Annual General Meeting.

Whether or not you are able to attend and vote at the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof (as the case may be) should you so wish.

5. VOTING BY WAY OF POLL

Pursuant to Rule 13.39 (4) of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The Chairman will therefore demand a poll for every resolution put to the vote of the Annual General Meeting.

On a poll every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy, shall have one vote for every share of which he is the holder which is fully paid or credited as fully paid (but so that no amount paid or credited as paid on a share in advance of calls or installments shall be treated for the purposes of this Bye-law as paid on the Share). On a poll, a Shareholder entitled to more than one vote needs not, if he votes, use all his votes or cast all his votes in the same way.

LETTER FROM THE BOARD

6. 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 to omission of which would make any statement herein or this circular misleading.

7. RECOMMENDATION

The Board believes that the resolutions for the New Issue Mandate, the Repurchase Mandate, the Extension Mandate, and the re-election of retiring Directors are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders vote in favour of all the resolutions to be proposed at the Annual General Meeting.

8. GENERAL INFORMATION

Your attention is also drawn to the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
China Sandi Holdings Limited
Guo Jiadi
Chairman

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information for Shareholders to consider the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,087,207,546 Shares. Subject to the passing of the ordinary resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 508,720,754 Shares (representing 10% of the aggregate number of issued Shares as at the date of the passing of the ordinary resolution granting the Repurchase Mandate).

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Company's memorandum of association and Bye-laws and the applicable laws of Bermuda. Any repurchase of the Shares must be funded out of the capital paid up on the repurchased shares or the funds of the Company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of the Shares. Any premium payable on the repurchase must be provided for out of the funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

4. EFFECT OF EXERCISING THE REPURCHASE MANDATE

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 latest published audited financial statements contained in the annual report for the year ended 31 December 2019, in the event that the power to repurchase Shares pursuant to the Repurchase Mandate is to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels of the Company that in the opinion of the Directors are from time to time appropriate for the Company.

5. DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, has any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules and the applicable laws of Bermuda.

No core connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code.

As a result, a Shareholder or a group of Shareholders acting in concert (within that term's meaning under the Takeover Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the register of the substantial shareholders maintained by the Company under section 336 of the SFO showed that the following parties had interests in the Shares representing 5% or more of the voting power at any general meeting of the Company:

Name of Shareholder	Number of Shares	Approximate percentage of the total issued Shares	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
United Century International Limited ("United Century") (Note 1)	2,581,054,801	50.74%	56.37%
King Partner Holdings Limited ("King Partner") (Note 2)	320,414,201	6.30%	7.00%
Primary Partner International Limited ("Primary Partner") (Note 3)	485,436,893	9.54%	10.60%

Notes:

1. United Century is a company incorporated in the BVI and held 2,581,054,801 ordinary shares of the Company. The issued share capital of United Century is 100% beneficially owned by Mr. Jiadi Guo ("Mr. Guo"). He is also the sole director of the United Century.
2. King Partner is a company incorporated in the BVI which is wholly-owned by Mr. Guo. Mr. Guo is also the sole director of King Partner. King Partner held 320,414,201 ordinary shares of the Company.
3. Primary Partner is a company incorporated in the BVI which is wholly-owned by Mr. Guo. Mr. Guo is also the sole director of Primary Partner. Primary Partner held 485,436,893 ordinary shares of the Company.

On the basis of the current shareholdings of the above Shareholders, an exercise of the Repurchase Mandate in full may result in them becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of the above Shareholders, or any other persons to make a general offer under the Takeovers Code. However, the Company may not repurchase Shares which would result in the number of shares held by the public being reduced to less than 25 per cent.

The Listing Rules prohibit the Company from knowingly purchasing its securities on Main Board from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any its subsidiaries or their respective associates.

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) have any present intention to sell Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that it has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. SHARE REPURCHASE MADE BY THE COMPANY IN PREVIOUS SIX MONTHS

The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months preceding the Latest Practicable Date.

8. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
May	0.530	0.490
June	0.580	0.500
July	0.600	0.530
August	0.600	0.550
September	0.630	0.570
October	0.610	0.550
November	0.630	0.580
December	0.630	0.590
2020		
January	0.670	0.580
February	0.670	0.580
March	0.650	0.475
April	0.600	0.510
May (up to the Latest Practical Date)	0.600	0.570

The biographical details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are as follows:

Executive Directors

Mr. Wang Chao (“Mr. Wang”), aged 43, was appointed as an executive Director of the Company with effect from 5 February 2018. Mr. Wang hold a bachelor’s degree of Laws from the Xiamen University*. Prior to joining the Group, he worked in companies that specialised in property development industries for over ten years. Mr. Wang is the general manager of Fujian Sinco Industrial Co. Ltd. (“**Fujian Sinco**”), an indirect wholly owned subsidiary of the Company, since 1 January 2018 and responsible for the overall operation for the various subsidiaries of the Group in the PRC.

Mr. Wang was appointed for an initial term of 3 years commencing on 5 February 2018 provided at any time during the term of appointment, either party may terminate the appointment by giving to the other not less than three months’ notice in writing and is subject to retirement by rotation and re-election pursuant to the Bye-laws of the Company. Mr. Wang is not entitled to a Director’s fee in the Company (subject to annual review by the Board and the remuneration committee of the Company) and he receives RMB550,000 per annum as salary in Fujian Sinco which was determined by the remuneration committee of the Company and the Board by reference to his duties and responsibilities.

Save as disclosed, Mr. Wang did not hold any other directorships in other public company listed in Hong Kong or overseas in the last three years or any other position with the Company or any of its subsidiaries. Mr. Wang does not have any relationship with any other Director, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Wang held 3,000,000 shares options of the Company. Save as disclosed above, Mr. Wang does not have, and is not deemed to have any interests or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that need to be brought to the attention of the Shareholders.

* *For identification purposes only*

Independent non-executive Directors

Ms. Ma Shujuan (“**Ms. Ma**”), aged 36, was appointed as an independent non-executive Director on 5 February 2018. Ms. Ma was also appointed as the chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee. Ms. Ma graduated from China University of Political Science and Laws* in 2007 with a Bachelor’s degree in Laws. She also holds a degree of Executive Master of Business Administration in Finance from Shanghai Jiao Tong University*. Ms. Ma is a practicing lawyer in the PRC. She has over ten years of extensive experience in different kinds of legal and financial works including corporate finance, mergers and acquisitions, property investment, trust and commercial litigations. She is currently a practising lawyer of Beijing King & Capital Law Firm, (Shanghai Branch)*.

Ms. Ma was appointed as an independent non-executive Director for an initial term of three years commencing on 5 February 2018. Ms. Ma is entitled to a director’s fee of RMB60,000 per annum which was determined by the remuneration committee of the Company and the Board by reference to her duties and responsibilities.

Save as disclosed, Ms. Ma did not hold any other directorships in other public company listed in Hong Kong or overseas in the last three years or any other position with the Company or any of its subsidiaries. Ms. Ma does not have any relationship with any other Director, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Ma held 4,400,000 shares options of the Company. Save as disclosed above, Ms. Ma does not have, and is not deemed to have any interests or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Ms. Ma has given to the Company her annual confirmation of independence. The Board, therefore considers her to be independent and believes that she should be re-elected.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter that need to be brought to the attention of the Shareholders.

* *For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING



CHINA SANDI HOLDINGS LIMITED

中國三迪控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 910)

NOTICE IS HEREBY GIVEN that the annual general meeting of China Sandi Holdings Limited (the “**Company**”) will be held at 11:00 a.m. on Friday, 12 June 2020 at 6/F, Ibis Hong Kong Central & Sheung Wan Hotel, No. 28 Des Voeux Road West, Sheung Wan, Hong Kong, to transact the following ordinary business:

1. to receive and consider the audited consolidated financial statements and reports of the directors and auditors for the year ended 31 December 2019;
2. (a) To re-elect Mr. Wang Chao as an executive director of the Company (the “**Director**”);

(b) To re-elect Ms. Ma Shujuan as an independent non-executive Director;

(c) To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration; and
3. to re-appoint Deloitte Touche Tohmatsu as auditors of the Company and to authorise the Board to fix their remuneration;

and, as special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

4. **“THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (the **“Listing Rules”**) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional ordinary shares of HK\$0.01 each in the capital of the Company (the **“Shares”**), or securities convertible into Shares, or options, warrants, or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which would or might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options 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 and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option schemes of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate number of Shares in issue as at the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate number of the Shares in issue as at the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 bye-laws of the Company, the Companies Act 1981 of Bermuda (the “**Companies Act**”) or any other applicable law of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

“**Rights Issue**” means an offer of Shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares of the Company whose name appear on the register of members of the Company on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its Shares on the Stock Exchange or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose (the “**Recognised Stock Exchange**”), subject to and in accordance with the all applicable laws and requirements of the Listing Rules or that of the other Recognised Stock Exchange, be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate number of Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate number of the issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of 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 bye-laws of the Company, the Companies Act or any other applicable law of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

6. “**THAT:**

subject to the passing of resolution nos. 4 and 5 above, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with unissued Shares pursuant to resolution 4 above be and is hereby extended by the addition thereto of an amount representing the aggregate number of Shares repurchased by the Company subsequent to the passing of this resolution, provided that such amount shall not exceed 10 per cent. of the aggregate number of Shares in issue as at the date of the passing of this resolution.”

By order of the Board
China Sandi Holdings Limited
Guo Jiadi
Chairman

Hong Kong, 12 May 2020

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

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

Room 3405, 34th Floor,
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

Notes:

1. Any shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his proxy to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. The proxy needs not be a shareholder of the Company.
2. In order to be valid, the enclosed form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's Hong Kong branch share registrar, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. The Register of Members of the Company will be temporarily closed from 9 June 2020 to 12 June 2020, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the attendance at the Company's annual general meeting to be held on Friday, 12 June 2020, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Tengis Limited at Level 54 Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 8 June 2020.
4. Taking into account of the recent development of the epidemic caused by novel coronavirus pneumonia ("**COVID-19**"), the Company will implement the following prevention and control measures at the annual general meeting against the epidemic to protect the shareholders from the risk of infection:
 - (i) compulsory body temperature check will be conducted for every shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.5 degrees Celsius will not be admitted to the venue;
 - (ii) every shareholder or proxy is required to wear surgical facial mask throughout the meeting; and
 - (iii) no refreshment nor souvenirs will be served.

Furthermore, the Company wishes to advise the shareholders, particularly shareholders who are subject to quarantine in relation to the coronavirus disease COVID-19, that they may appoint any person or the chairman of the 2020 annual general meeting as a proxy to vote on the resolutions, instead of attending the 2020 annual general meeting in person.