
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Sino ICT Holdings Limited**, you should at once hand this circular and 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 the 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.

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of **Sino ICT Holdings Limited**, and it must not be used for the purpose of offering or inviting offers for any securities.



SINO ICT HOLDINGS LIMITED

芯成科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00365)

MAJOR TRANSACTION IN RELATION TO THE PROPOSED DISPOSAL OF 48% EQUITY INTEREST IN AN ASSOCIATE AND NOTICE OF SPECIAL GENERAL MEETING

A letter from the Board is set out on pages 4 to 14 of this circular. A notice convening the special general meeting of Sino ICT Holdings Limited to be held at 9:30 a.m. on Wednesday, 26 May 2021 at Meeting Room 6, 558 Shibo Avenue, Pudong New District, Shanghai, China is set out on pages SGM-1 to SGM-2 of this circular.

PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

Under the current circumstance of the outbreak of the coronavirus (COVID-19), certain special measure will be implemented by the Company at the special general meeting (the “SGM”) in order to reduce the risk of infection, including:

- (i) compulsory body temperature check/screening;
- (ii) wearing of surgical face masks throughout the SGM; and
- (iii) keeping social distancing of at least 1.5 metres.

In addition, Shanghai, China, being the location of the SGM, is currently implementing a series of quarantine measures, including, but not limited to, (a) to present the COVID-19 tested negative certification issued 72 hours prior to the scheduled flight departure; and (b) all visitors have to complete a 14 days of concentration observation and leave for destination with a quarantine certificate. Such quarantine measures may be adjusted from time to time and it is recommended that attendees should make reference to the latest policies and/or measures published by the local authorisation before planning their journey.

For the health and safety of Shareholders, it is highly recommended that Shareholders exercise their voting rights at the SGM by appointing the Chairman of the SGM as their proxy and return their proxy forms by the time specified below, instead of physical attending in person at the SGM.

Whether or not you intend to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than forty-eight (48) hours before the time appointed for the holding of the meeting (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting (or any adjournment thereof) should you so desire and in such event the instrument appointing a proxy shall be deemed to be revoked.

10 May 2021

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I — FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II — GENERAL INFORMATION	II-1
APPENDIX III — ASSET VALUATION REPORT OF SINO IC (SHENZHEN) LEASING	III-1
NOTICE OF SPECIAL GENERAL MEETING	SGM-1

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 1 April 2021 in relation to the Proposed Disposal
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which banks in the PRC are open for general commercial business, other than a Saturday, Sunday or public holiday in the PRC
“Bye-laws”	the Bye-laws of the Company, as amended from time to time
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Sino ICT Holdings Limited (Stock Code: 00365), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Consideration”	the consideration for the Proposed Disposal
“Completion”	completion of the transactions contemplated under the Equity Transfer Agreement
“Completion Date”	the date on which the Completion take place
“controlling shareholder”	as defined in the Listing Rules
“Director(s)”	the director(s) of the Company for the time being
“Equity Transfer Agreement”	the equity transfer agreement dated 1 April 2021 (after trading hours) entered into by Unisplendour Investment and Sino IC Leasing, pursuant to which Unisplendour Investment has conditionally agreed to sell, and Sino IC Leasing has conditionally agreed to purchase, the 48% equity interest in Sino IC (Shenzhen) Leasing at a consideration of RMB211,110,295.37
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	30 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“percentage ratios”	as defined in the Listing Rules
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and the region commonly called as Taiwan
“Valuer”	Beijing Zhuoxindahua Appraisal Co., Ltd.* (北京卓信大華資產評估有限公司, an independent qualified valuation firm in the PRC appointed by the Sino IC Leasing and prepared the asset valuation report for Sino IC (Shenzhen) Leasing
“Proposed Disposal”	the proposed disposal of the Sale Shares by Unisplendour Investment to Sino IC Leasing as contemplated under the Equity Transfer Agreement
“RMB”	renminbi, the lawful currency of the PRC
“Sale Share”	the 48% equity interest in Sino IC (Shenzhen) Leasing held by Unisplendour Investment prior to the Completion
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Equity Transfer Agreement and the transactions contemplated thereunder
“SGM Notice”	the notice convening the SGM as set out on pages SGM-1 to SGM-2 of this circular
“Share(s)”	ordinary share(s) of par value HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Sino IC Leasing”	Sino IC Leasing Co., Ltd.* (芯鑫融資租賃有限責任公司), a limited liability company established under the laws of the PRC

DEFINITIONS

“Sino IC (Shenzhen) Leasing”	Sino IC Leasing (Shenzhen) Co., Ltd.* (芯鑫融資租賃(深圳)有限責任公司), formally known as Unisplendour Si-Cloud Financial Leasing Co., Ltd.*(紫光芯雲融資租賃有限公司), a limited liability company established under the laws of the PRC.
“Sino Xin Ding”	Sino Xin Ding Limited (芯鼎有限公司), a company incorporated in Hong Kong with limited liability and one of the controlling shareholders of the Company which is holding approximately 67.85% of the entire issued share capital in the Company as at the Latest Practicable Date
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Unisplendour Investment”	Unisplendour Investment Holding Co. Limited, a limited liability company incorporated under the laws of Hong Kong, is an indirectly wholly-owned subsidiary of the Company
“%”	per cent

* *for identification purposes only*

LETTER FROM THE BOARD



SINO ICT HOLDINGS LIMITED

芯成科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00365)

Executive Directors:

Mr. DU Yang (*Chairman*)

Mr. YUAN I-Pei

Mr. XIA Yuan (*Chief Executive Officer*)

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Non-executive Directors:

Mr. LI Yongjun

Mr. LI Jinxian

Principal Place of Business:

Unit 02-03, 69/F

International Commerce Centre

1 Austin Road West,

Tsim Sha Tsui, Kowloon

Hong Kong

Independent Non-executive Directors:

Mr. CUI Yuzhi

Mr. BAO Yi

Mr. PING Fan

10 May 2021

To the Shareholders

Dear Sirs or Madams,

MAJOR TRANSACTION IN RELATION TO THE PROPOSED DISPOSAL OF 48% EQUITY INTEREST IN AN ASSOCIATE

INTRODUCTION

References are made to the announcement of the Company dated 1 April 2021 in respect of the Proposed Disposal.

THE FORMER DEEMED DISPOSAL

Reference is made to the circular and announcements of the Company dated 16 July 2018, 11 June 2018 and 2 May 2018, respectively, regarding a major transaction in relation to the deemed disposal of equity interest in a former subsidiary.

LETTER FROM THE BOARD

On 2 May 2018 (after trading hours), Unisplendour Investment, an indirectly wholly-owned subsidiary of the Company, Sino IC Leasing and Sino IC (Shenzhen) Leasing (formally known as Unisplendour Si-Cloud Financial Leasing Co., Ltd.*(紫光芯雲融資租賃有限公司)) entered into the capital increase agreement (the “**Capital Increase Agreement**”), pursuant to which Sino IC Leasing conditionally agreed to subscribe for the additional registered capital of Sino IC (Shenzhen) Leasing. The transactions contemplated under the Capital Increase Agreement was approved at the special general meeting held on 7 August 2018. After the completion of such transactions, Sino IC Leasing holds 51% equity interest in Sino IC (Shenzhen) Leasing, while the Group’s equity interest in Sino IC (Shenzhen) Leasing decreases to 49%. As such, Sino IC (Shenzhen) Leasing changed from a wholly-owned subsidiary of the Company to an associate of the Company and ceased to be consolidated into the Company’s consolidated financial statements.

THE PROPOSED DISPOSAL

On 1 April 2021 (after trading hours), Unisplendour Investment and Sino IC Leasing entered into the Equity Transfer Agreement. Pursuant to the Equity Transfer Agreement, Unisplendour Investment (as the seller) has conditionally agreed to sell, and Sino IC Leasing (as the purchaser) has conditionally agreed to purchase, the 48% equity interest of Sino IC (Shenzhen) Leasing at an consideration of RMB211,110,295.37. Upon Completion, the equity interest held by Unisplendour Investment and Sino IC Leasing in Sino IC (Shenzhen) Leasing will be 1% and 99%, respectively. Prior to and after the Completion, Sino IC (Shenzhen) Leasing is and will continue be an associate of the Company.

The main purpose of this circular is to provide the Shareholders with further information regarding (i) details of the Proposed Disposal, (ii) financial information of the Group and (iii) other information as required under the Listing Rules.

EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are set out as follows:

Date

1 April 2021 (after trading hours)

Parties

1. Unisplendour Investment Holding Co. Limited, an indirectly wholly-owned subsidiary of the Company, as the seller
2. Sino IC Leasing Co., Ltd.* (芯鑫融資租賃有限責任公司), as the purchaser

Subject of the Proposed Disposal

Pursuant to the Equity Transfer Agreement, Unisplendour Investment has conditionally agreed to sell, and Sino IC Leasing has conditionally agreed to purchase, the 48% equity interest of Sino IC (Shenzhen) Leasing at a consideration of RMB211,110,295.37.

LETTER FROM THE BOARD

Consideration

The Consideration for the Sale Shares shall be RMB211,110,295.37 (equivalent to approximately HK\$250.23 million). The Consideration will be paid in cash by Sino IC Leasing to Unisplendour Investment within thirty (30) Business Days upon the fulfillment or waiver of the conditions precedent of the Equity Transfer Agreement.

Basis of the Consideration

The Consideration was determined after arms' length negotiations between Unisplendour Investment and Sino IC Leasing with reference to the audited consolidated net asset value of Sino IC (Shenzhen) Leasing as at 31 January 2021 and a valuation report prepared by the Valuer in relation to the valuation of Sino IC (Shenzhen) Leasing as at 31 January 2021 (the "**Asset Valuation Report**"). The Valuer is a qualified asset appraisal firm authorised by the Ministry of Finance of the PRC to perform valuation works in the PRC since August 1994.

Reasons for the difference between audited book value and appraised value of Sino IC (Shenzhen) Leasing

As advised by the Valuer, the difference between the audited book value (on a non-consolidated basis) and the appraised value of Sino IC (Shenzhen) Leasing is mainly attributable to long-term equity investments in its wholly-owned subsidiary, Sino IC Commercial Factoring (Shenzhen) Co., Ltd.* (芯鑫商業保理(深圳)有限責任公司) ("**Sino IC Commercial Factoring**"). Although Sino IC (Shenzhen) Leasing recorded an investment cost in Sino IC Commercial Factoring of RMB100 million, given that Sino IC Commercial Factoring is profit making, the net asset value of Sino IC Commercial Factoring has increased to RMB109.7678 million. As a result, the appraised value of the long-term equity investments in Sino IC Commercial Factoring has increased accordingly. For the details of the appraisal results of the Asset Valuation Report, please refer to the section headed "X. Appraisal Conclusions" in Appendix III to this circular.

Technical idea and model of asset-based method

The Asset Valuation Report has adopted the asset-based approach, which is a valuation technical idea for determining of value of the object of valuation by totaling the value of assets and liabilities as determined by appropriate specific valuation method selected according to the specific circumstance, on the basis of the investment amount required by independent profit-making enterprise established with the same off balance sheet and on balance sheet assets and liabilities as those of the target of valuation on the base date of assets valuation. Asset-based method is based on: (1) the value of the target of valuation, depending on the market cost value of the total assets of the enterprise; and (2) the value of the individual assets and portfolio of the entire assets of the enterprise, affected by their respective contribution to the enterprise.

Calculation formula of asset-based method

Value of total equities = value of total assets of the enterprise - value of total liabilities

LETTER FROM THE BOARD

Value of total assets of the enterprise = value of on balance sheet assets + value of off balance sheet assets

Value of total liabilities = value of on balance sheet liabilities + value of off balance sheet liabilities.

Major Assumptions of the Asset Valuation Report

In conducting the valuation of the total equity interest of Sino IC (Shenzhen) Leasing, the Valuer has made the following major assumptions:

- (i) the assets to be appraised can be transacted in the open market to realize its market value, and the willing buyers and sellers who are equal to have the opportunities and time to gain sufficient market information, whereby the transaction is conducted on a willing and rational basis;
- (ii) the valuation is based on the assumption of continuous operation of Sino IC (Shenzhen) Leasing;
- (iii) there will be no material change in the existing political, legal, technological, fiscal or economic conditions, which might adversely affect the business of the Company;
- (iv) there will be no material changes in government policies regarding interest rate, exchange rate, tax basis and tax rate;
- (v) there will be no force majeure factors or unexpected conditions associated with the assets valued that might adversely affect the reported values;
- (vi) there will be no material changes in accounting standards in compilation of financial statements of Sino IC (Shenzhen) Leasing;
- (vii) the management style, strategic planning and principal activities of Sino IC (Shenzhen) Leasing will be maintained; and
- (viii) the key management are all competent and responsible.

The Board believe that these key assumptions are generally adopted in similar valuation activities and are necessary for the Valuer to arrive at a reasonable estimated valuation of the total equity interest of Sino IC (Shenzhen) Leasing. The Board is therefore satisfied that the abovementioned major assumptions are fair and reasonable in relation to the Asset Valuation Report.

For further details of the asset valuation report, please refer to “Appendix III — Asset Valuation Report of Sino IC (Shenzhen) Leasing” to this circular.

LETTER FROM THE BOARD

Conditions Precedent

The Completion is conditional upon the satisfaction or waiver by the Purchaser (save for condition (1) below which is not waivable) in accordance with the terms of the Equity Transfer Agreement of the conditions set out below:

- (1) all necessary internal and external approval and decision making procedures required for the Proposed Disposal have been completed, including but not limited to all internal and external approval, internal decision making procedures, board approval and shareholders' approval of Unisplendour Investment, the Company and its related parties in accordance with the laws of PRC and Hong Kong (including but not limited to the Listing Rules and the Securities and Futures Ordinance (Cap. 571);
- (2) all formalities required for the remittance of the Consideration to the receiving account designated by Unisplendour Investment have been completed in accordance with the provisions of the PRC laws and the requirements of the relevant PRC government agencies, including but not limited to the completion of the registration formalities for the Proposed Disposal with the Market Supervision and Administration Bureau, and the payment of the tax to be paid by Unisplendour Investment or Sino IC Leasing and obtain the tax payment certificate;
- (3) no government agency has formulated, issued, promulgated, implemented or passed any law or government decree (whether temporary, initial or permanent) which renders the transactions under the Equity Transfer Agreement illegal or restricts or prevents the Completion;
- (4) all third party consents required for the Proposed Disposal have been obtained;
- (5) the statements and warranties made by Unisplendour Investment in the Equity Transfer Agreement has been true and accurate in all respects as of the Completion Date;
- (6) Unisplendour Investment has performed and abided by all agreements and commitments required by the Equity Transfer Agreement to be performed or complied with on or before the Completion Date in all material respects; and
- (7) there has been no significant adverse change in Sino IC (Shenzhen) Leasing since the date of signing of the Equity Transfer Agreement.

During the course of negotiation of the Equity Transfer Agreement, Sino IC Leasing requested that all condition precedents except conditions (1) above should be waivable by Sino IC Leasing in order to satisfy its internal approval requirement of the Equity Transfer Agreement. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the Latest Practicable Date, the Directors considered that (i) conditions (2) and (3) are merely standard conditions precedent, (ii) it is highly likely that conditions (2) will be fulfilled before the Closing based on the preliminary discussions with the relevant government authorities in the PRC and (iii) there is no foreseeable law or government decree which restricts or renders the Proposed Disposal illegal.

As at the Latest Practicable Date, none of the conditions precedent has been fulfilled.

LETTER FROM THE BOARD

Completion

The Completion shall take place upon the payment of the Consideration in full by Sino IC Leasing to Unisplendour Investment.

INFORMATION ON SINO IC (SHENZHEN) LEASING

Sino IC (Shenzhen) Leasing, formally known as Unisplendour Si-Cloud Financial Leasing Co., Ltd.* (紫光芯雲融資租賃有限公司), is a limited liability company incorporated in the PRC on 18 July 2014. It is an associate of the Company prior to and after the Completion and is mainly engaged in finance leasing.

The following table sets out the audited financial information of Sino IC (Shenzhen) Leasing for the year ended 31 December 2020 and the year ended 31 December 2019.

	For the year ended 31 December 2020 RMB	For the year ended 31 December 2019 RMB
Revenue	54,979,002.18	23,895,897.89
Profit before tax	23,351,539.25	8,370,154.87
Profit after tax	17,432,181.86	6,277,099.46

The audited consolidated net asset value of Sino IC (Shenzhen) Leasing as at 31 January 2021 and the appraised value of Sino IC (Shenzhen) Leasing as at 31 January 2021 as stated in the Asset Valuation Report is approximately RMB439.81 million.

INFORMATION ON UNISPLENDOUR INVESTMENT AND THE GROUP

The Group is principally engaged in SMT equipment manufacturing and related businesses, and securities investment.

Unisplendour Investment, an indirectly wholly-owned subsidiary of the Company, is a limited liability company incorporated in Hong Kong and is mainly engaged in investment holding.

INFORMATION ON SINO IC LEASING

Sino IC Leasing is a company established in the PRC and is principally engaged in finance leasing and other leasing business. Sino IC Leasing is owned as to approximately 13.89% by Zhejiang Qixin Technology Limited* (浙江齊芯科技有限責任公司) (“**Zhejiang Qixin**”), as to approximately 5.24% by Tsinghua Unigroup Co., Ltd.* (紫光集團有限公司) (“**Tsinghua Unigroup**”) through its indirectly wholly-owned subsidiaries 西藏紫光清彩投資有限公司 and Unisplendour Xiangjiang Limited* (紫光香江有限公司) and approximately 80.87% by 17 other entities, amongst which, no individual entity owned over 10% equity interest in Sino IC Leasing.

LETTER FROM THE BOARD

Zhejiang Qixin is a company established in the PRC with limited liability and principally engaged in technology development and consultancy. Zhejiang Qixin is owned as to 99.9% by Jiaxing Qixin Equity Investment Partnership (Limited Partnership)* (嘉興齊芯股權投資合夥企業(有限合夥)) (“**Jiaxing Qixin**”) and 0.1% by Zhejiang Honghu Yuanzhi Corporate Management Limited* (浙江鴻鵠遠志企業管理有限公司) (“**Honghu Yuanzhi**”). As confirmed by Sino IC Leasing, as at the Latest Practicable Date,

- (i) Zhejiang Honghu Mingrui Corporate Management Limited* (浙江鴻鵠明睿企業管理有限責任公司) (“**Honghu Mingrui**”) is the general partner of Jiaxing Qixin and is owned as to (a) 40% by Honghu Yuanzhi, which is in turn wholly-owned by Zhang Yan* (張彥), (b) 30% by Shanghai Rongji Equity Investment Fund Management Co., Ltd.* (上海熔禹股權投資基金管理有限公司), which is in turn owned by Ren Haopeng* (任浩鵬) and Li Yihan* (李藝涵), (c) 10% by Ningbo Meishan Free Trade Port Qingxin Qiande Equity Investment Partnership (Limited Partnership)* (寧波梅山保稅港區青芯乾德股權投資合夥企業(有限合夥)) (“**Ningbo Meishan**”), which is in turn wholly-owned by UNIC Capital (as defined below), (d) 10% by Weimar Automotive Technology Group Co., Ltd.* (威馬汽車科技集團有限公司) (“**Weimar Automotive**”), (e) 5% by Jiaxing Yangtze River Delta Innovation Investment Group Co., Ltd.* (嘉興長三角創新投資集團有限公司) (“**Jiaxing Yangtze River**”) and (f) 5% by Haining Industrial Assets Management Co., Ltd.* (海寧市實業資產經營有限公司) (“**Haining Industrial Assets**”);
- (ii) Jiaxing Qixin is owned as to (a) approximately 37.92% collectively by Jiaxing Yangtze River and Haining Industrial Assets, being the single largest group of limited partners of Jiaxing Qixin and investment platforms through which the governments of Jiaxing City and Haining City (a county-level city under the jurisdiction of Jiaxing City) jointly invest in Jiaxing Qixin, (b) approximately 23.68% by Weimar Automotive, (c) approximately 23.68% equity interest by Ningbo Meishan, (d) approximately 14.24% by Shanghai Wanye Enterprise Co., Ltd.* (上海萬業企業股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600641) and (e) approximately 0.47% by Honghu Mingrui; and
- (iii) The ultimate beneficial owners of Jiaxing Yangtze River and Haining Industrial Assets are the Financial Bureau of Jiaxing City (嘉興市財政局) and State-owned Assets Supervision and Administration Office of People’s Government of Haining City* (海寧市人民政府國資委), respectively.

UNIC Capital Management Co., Ltd.* (中青芯鑫(蘇州工業園區)資產管理有限責任公司) (“**UNIC Capital**”) is indirectly interested in approximately 50.1% equity interest of Sino Xin Ding. UNIC Capital is owned as to approximately 49.5% by Sino IC Leasing and as to approximately 49.0% by Zhongqing Xintou Holding Co. Ltd.* (中青信投控股有限責任公司) which is a wholly-owned subsidiary of Tsinghua Unigroup. As confirmed by Sino IC Leasing, (i) UNIC Capital is not a subsidiary of Sino IC Leasing and (ii) Sino IC Leasing and Tsinghua Unigroup are not under common control by any entity or person.

LETTER FROM THE BOARD

Mr. Du Yang, an executive Director and chairman of the Board, is the legal representative, chairman and general manager of Sino IC Leasing. Mr. Yuan I-Pei, an executive Director is an executive vice president of Sino IC Leasing and a director of Sino IC (Shenzhen) Leasing. Mr. Xia Yuan, an executive Director and chief executive officer of the Company, is an executive vice president of Sino IC Leasing and the legal representative and chairmen of Sino IC (Shenzhen) Leasing. In view of Mr. Du Yang, Mr. Yuan I-Pei and Mr. Xia Yuan's positions in Sino IC Leasing and/or Sino IC (Shenzhen) Leasing, and for the avoidance of any potential conflict of interest, the afore-mentioned three directors abstained from voting at the meeting of the Board in relation to approval of the Equity Transfer Agreement.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, saved as disclosed above, Sino IC Leasing and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE PROPOSED DISPOSAL

As disclosed in the annual results announcement of the Company dated 31 March 2021, the Company issued zero coupon convertible bonds with face value of HK\$148,000,000 to Unis Strategy Investment Company, a former controlling shareholder of the Company, on 30 May 2016. The bonds shall be matured in five years from the date of issue (i.e. 30 May 2021) at their face value of HK\$148,000,000 or converted into ordinary shares of the Company at HK\$0.4 per share (subject to adjustment) by the holder before the maturity date of the bonds.

In order to repay the aforementioned convertible bonds, the Company (through Unisplendour Investment) commenced negotiation with Sino IC Leasing in November 2020 to explore the possibility of further disposing the remaining equity interest held by the Company. During the course of negotiation of the Proposed Disposal, Sino IC Leasing requested Unisplendour Investment, a company incorporated in Hong Kong, to retain 1% equity interest in Sino IC (Shenzhen) Leasing in order to maintain the sino-foreign equity joint venture status of Sino IC (Shenzhen) Leasing. Therefore, the Company (through Unisplendour Investment) accepted the proposal in order to facilitate the Proposed Disposal.

As at the Latest Practicable Date, the Group has no intention to dispose of the remaining 1% equity interest in Sino IC (Shenzhen) Leasing after the completion of the Proposed Disposal.

Sino IC (Shenzhen) recorded losses and had only few business activities in 2018. This lowered the desirability for the potential investors to acquire equity interests in Sino IC (Shenzhen). After Sino IC Leasing became the controlling shareholder upon the completion of the Capital Increase Agreement in 2018, Sino IC Leasing assisted Sino IC (Shenzhen) Leasing to develop its finance leasing business by transferring some of its existing finance leasing projects to Sino IC (Shenzhen). Since then, the finance leasing business of Sino IC (Shenzhen) has gradually developed which led to a significant improvement of the revenue and profit after tax of Sino IC (Shenzhen) Leasing for the year ended 31 December 2020.

LETTER FROM THE BOARD

In recent years, the Company's business focus has been further extended to the existing SMT equipment manufacturing and semiconductor business, and it also actively explores the development, management and operation of the science and technology industrial park to expand new revenue and profit sources for the Company. In the future, the Company will continue to invest its resources in the above-mentioned business areas.

As such, the Group proposes to gradually adjust the development strategy by disposing non-core business such as finance leasing and re-allocating its resources to the above-mentioned business areas. The Proposed Disposal will benefit the Company to activate its existing assets, optimise its capital structure, re-allocate its resources and bring driving forces to the Company's main and new businesses.

In addition, the Proposed Disposal will also generate immediate cashflow for the repayment of the convertible bonds which will be matured on 30 May 2021.

As such, the Company is of the view that it is the right timing to dispose its interests in Sino IC (Shenzhen) Leasing.

Taking into consideration of the above, the Directors (including the independent non-executive Directors except those Directors who had abstained from voting at the meeting of the Board) are of the view that the terms of the Equity Transfer Agreement are made on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS FROM THE PROPOSED DISPOSAL

The net cash proceeds (net of estimated taxes and transaction costs) from the Proposed Disposal is expected to be approximately RMB210,155,575.60 (equivalent to approximately HK\$249.10 million), which the Company intends to use for, including but not limited to, (i) repayment of its debts (accounted for approximately 59.4%), (ii) development, management and operation of the science and technology industrial parks (accounted for approximately 28.2%), and (iii) general working capital (accounted for approximately 12.4%).

The Directors will continuously assess the expected use of proceeds as set out in this circular and may revise or amend such plans where necessary, to cope with the changing market conditions and strive for better business performance for the Group. The Company shall publish further announcement in accordance with the Listing Rules and/or any applicable laws as and when appropriate.

FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

Upon Completion, the equity interest held by Unisplendour Investment in Sino IC (Shenzhen) Leasing will decrease from 49% to 1%. Prior to and after the Completion, Sino IC (Shenzhen) Leasing is and will continue be an associate of the Company.

LETTER FROM THE BOARD

As the Latest Practicable Date, it is estimated the Group will realise a net gain on the Proposed Disposal of approximately RMB7.64 million (net of estimated taxes and transaction costs), which is calculated by reference to the difference between the consideration of RMB211,110,295.37 and the 48% equity attributable to the Company in Sino IC (Shenzhen) Leasing as at 31 January 2021 (i.e. approximately RMB202,513,094.05). As Sino IC (Shenzhen) has ceased to be consolidated into the Group's consolidated financial statements since the completion of the former deemed disposal in 2018, the Completion of the Proposed Disposal will have no impact on the liabilities of the Group, while the assets of the Group will increase by approximately RMB7.64 million (equivalent to approximately HK\$9.16 million) due to the recognition of net gain arising from the Proposed Disposal. The actual financial impact of the Proposed Disposal to be recognised by the Group is subject to audit and will be reassessed after the Completion.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratio(s) (as defined in the Listing Rules) exceed(s) 25% but is less than 75%, the Proposed Disposal constitutes a major transaction of the Company and is therefore subject to reporting, announcement and Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, save for Sino Xin Ding who is owned as to approximately 50.1% by UNIC Capital which is in turn owned as to approximately 49.5% by Sino IC Leasing, no other shareholder has a material interest in the Proposed Disposal and accordingly, no Shareholder save for Sino Xing Ding and its close associate is required to abstain from voting at the SGM for the approval of the Proposed Disposal, the Equity Transfer Agreement and the transaction contemplated thereunder.

SGM

The SGM Notice convening the SGM to be held at 9:30 a.m. on Wednesday, 26 May 2021 at Meeting Room 6, 558 Shibo Avenue, Pudong New District, Shanghai, China (or any adjournment thereof) is set out on pages SGM-1 to SGM-2 of this circular.

A form of proxy for the SGM is enclosed herewith. Whether or not you are able to attend the SGM, Shareholders are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than forty-eight (48) hours before the time appointed for the holding of the SGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude a Shareholder from attending and voting in person at the SGM (or any adjournment thereof) should he/she so desire and in such event the instrument appointing a proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except purely on those procedural or administrative matters. Each of the resolutions to be proposed and put to a vote at the SGM will be decided by way of a poll at the SGM pursuant to Bye-law 66 of the Bye-laws. The results of the poll will be published on the websites of the Stock Exchange and the Company after the SGM in the manner prescribed under Rules 13.39(5) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 21 May 2021 to Wednesday, 26 May 2021 (both days inclusive) for determining the identity of the Shareholders who are entitled to attend and vote at the SGM. No transfer of Shares and/or exercise of the outstanding Share Options and/or the conversion of the outstanding Convertible Bonds will be registered during this period. Shareholders whose name appear on the register of members of the Company on Wednesday, 26 May 2021 shall be entitled to attend and vote at the SGM. In order to be eligible to attend and vote at the SGM, unregistered holders of the Shares should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 20 May 2021.

RECOMMENDATIONS

The Directors consider that the terms of the Equity Transfer Agreement are in the best interest of the Company and the Shareholders as a whole. For the reasons stated above, the Directors recommend the Shareholders to vote in favour of all of the resolutions to approve the Equity Transfer Agreement and the transaction contemplated thereunder be proposed at the SGM.

WARNING NOTICE

Shareholders and potential investors of the Company should note that the Proposed Disposal may or may not proceed as it is subject to a number of conditions, which may or may not be fulfilled. Shareholders and potential investors of the Company are advised to exercise caution when dealing in securities of the Company, and are recommended to consult their professional advisers if they are in doubt about their position and as to the action they should take.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Du Yang
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the financial years ended 31 December 2020, 31 December 2019 and 31 December 2018 are disclosed in the following documents which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.sino-ict.com>):

- annual report of the Company for the year ended 31 December 2020 published on 29 April 2020 (pages 71 to 165)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0429/2021042901049.pdf>

- annual report of the Company for the year ended 31 December 2019 published on 28 April 2020 (pages 55 to 143)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0428/2020042801000.pdf>

- annual report of the Company for the year ended 31 December 2018 published on 26 April 2019 (pages 56 to 147)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0426/lt20190426749.pdf>

2. INDEBTEDNESS STATEMENT

At the close of business on 31 March 2021, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had a banking facilitate with a credit limit exposure of RMB90 million from Bank of Communication, which is secured by properties of the Group located at Fuyong Street, Baoan District, Shenzhen. As at 31 March 2021, the Group has utilised banking facility of RMB79,200,000.

At the close of business on 31 March 2021, the Group had unsecured and non-interest-bearing Convertible Bonds with a principal amount of HK\$148 million due on 30 May 2021, which can be converted into 370,000,000 Shares at a conversion price of HK\$0.4 per Share.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and the payables arising from the normal course of business, at the close of business on 31 March 2021, the Group did not have any debt capital issued and outstanding or agreed to be issued, bank loans or overdrafts, or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits, debt securities, pledges, charges, guarantees or contingent liabilities.

3. WORKING CAPITAL STATEMENT

The Directors, after due and careful enquiry, are of the opinion that, after taking into account the financial resources presently available to the Group including internally generated funds, and available banking facilities of the Group, and in the absence of unforeseen circumstances, the Group has sufficient working capital to satisfy its requirements for at least the next twelve months following the date of this circular.

4. FINANCIAL AND TRADING PROSPECTS

Moving into 2021, COVID-19 is gradually under control, economic and trade activities around the world are speeding up recovery, and the overall consumer market is reviving, all of these have created good conditions for business development in the next stage. The Group is cautiously optimistic about the future opportunities in the manufacturing industry and the global business environment. With the goals of stable operation and proactive development, the Group will continue to develop its core SMT equipment manufacturing and related business in the coming year, consolidate its advantages in self research and development, and enhance its brand influence and industry competitiveness. Meanwhile, the Group will pay close attention to the latest development opportunities emerging in the market, especially those in the semiconductor sector and the feasibility of developing and operating science and technology parks, to fully utilise the Group's existing advantages in the industry, technology and resources and to realise close integration and mutual benefits between the SMT equipment manufacturing business and its neighbouring industries.

1. 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.

2. DISCLOSURE OF INTERESTS**(i) Interests and short positions of Directors in the Company**

As at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interest and short position in the shares, underlying shares and debentures of the Company which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors or chief executive of the Company were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules.

(ii) Interest of substantial shareholders in the Company

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of shareholder	Capacity	Number of Shares held	Approximate percentage of the issued share capital of the Company
Sino Xin Ding Limited ^(Note 1)	Beneficial owner	987,176,230 (L) ^(Note 4)	67.85
Chen Ping	Beneficial owner	100,000,000 (L) ^(Note 4)	6.87
But Tin Fu ^(Note 2)	Beneficial owner / interest of controlled corporation	87,783,168 (L) ^(Note 4)	6.03
Reach General International Limited ^(Note 3)	Beneficial owner	84,270,000 (L) ^(Note 4)	5.79

Notes:

1. Sino Xin Ding Limited is wholly owned by Shanghai Qingxin Enterprise Management Consulting Co., Ltd. (上海青芯企業管理諮詢有限公司), which in turn, is owned as to 50.1% by UNIC Capital Management Co., Ltd. (中青芯鑫(蘇州工業園區) 資產管理有限責任公司), 28% owned to Shanghai Semiconductor Equipment and Materials Industry Investment Fund Partnership (Limited Partnership) (上海半導體裝備材料產業投資基金合夥企業(有限合夥)), and 21.9% owned by Henan Zhanxing Industrial Investment Fund (Limited Partnership) (河南戰興產業投資基金(有限合夥)).
2. Mr. But Tin Fu is interested in 87,783,168 shares, comprising (a) 37,525,200 shares directly held by Mr. But Tin Fu, (b) 3,796,000 shares directly held by Sun East Group Limited, which is beneficially owned as to 50% by Mr. But Tin Fu and 50% by Ms. Leung Hau Sum, who is the wife of Mr. But Tin Fu, (c) 2,424,800 shares directly held by Sum Win Management Corp., which is wholly owned by Mr. But Tin Fu, and (d) 44,037,168 shares directly held by Mind Seekers Investment Limited, which is wholly owned by Mr. But Tin Fu.
3. Reach General International Limited is 100% beneficially owned by Mr. Wu Xin.
4. The letter “L” denotes long position in the Shares.

Save as disclosed above, the Directors and the chief executive of the Company are not aware of any person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which fell to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. COMPETING BUSINESS INTERESTS OF DIRECTORS

As at the Latest Practicable Date, none of the Directors, proposed Directors or their respective associates had any interest in a business which competes or may compete with the business of the Group.

4. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENT OF THE GROUP

As at the Latest Practicable Date, none of the Directors had any interest, either direct or indirect, in any assets which had been, since 31 December 2020 (the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group. None of the Directors was materially interested in any contract or arrangement which is significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any service contracts with the Company or any of its subsidiaries or associated companies in force which does not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2020, being the date to which the latest published audited financial statements of the Group was made up.

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was pending or threatened against either the Company or any of its subsidiaries.

8. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) had been entered into by member(s) of the Group within the two years immediately preceding the Latest Practicable Date of this circular which are or may be material:

- (a) the joint venture agreement dated 9 November 2020 entered into among Sino ICT International (HK) Limited, Henan Mama Technology Co., Ltd.* (河南媽媽科技有限公司) and Henan Tiandihe Enterprise Management Co., Ltd.* (河南天地和企業管理有限公司) in relation to the formation of Zhengzhou Xinyi Electronic Technology Co., Ltd.* (鄭州芯怡電子科技有限公司) with a registered capital of RMB100 million; and
- (b) (i) the cooperation framework agreement dated 6 July 2020 entered into between Sun East Intelligent Equipment Technology (Shenzhen) Limited* (日東智能裝備科技(深圳)有限公司) (“**Sun East Intelligent Equipment Technology (Shenzhen)**”) and Sino IC Leasing (Shenzhen) Co., Ltd.* (芯鑫融資租賃(深圳)有限責任公司) (“**Sino IC Leasing (Shenzhen)**”) in relation to the finance lease arrangements between Sino IC Leasing (Shenzhen), Sun East Intelligent Equipment Technology (Shenzhen) and/or the customers of Sun East Intelligent Equipment Technology (Shenzhen) (the “**Customers**”) with an amount not exceeding RMB150 million; (ii) the repurchase agreement dated 6 July 2020 entered into between Sun East Intelligent Equipment Technology (Shenzhen) and Sino IC Leasing (Shenzhen) in relation to the obligations of the Customers in the event of default of payment with an amount not exceeding RMB150 million and (iii) the guarantee agreement dated 6 July 2020 entered into between the Company (as the guarantor) and Sino IC Leasing (Shenzhen) (as the guarantee) in relation to the provision of guarantee with an amount not exceeding RMB150 million.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for inspection during normal business hours on business days at the principal place of business in Hong Kong of the Company at Unit 02-03, 69/F, International Commerce Centre, 1 Austin Road West, Tsim Sha Tsui, Kowloon, Hong Kong for a period of 14 days from the date of this circular:

- (a) the memorandum of association and Bye-laws of the Company;
- (b) all material contracts referred to in the paragraph headed “Material Contracts” in this appendix;
- (c) the annual reports of the Company for each of the financial years ended 31 December 2019 and 31 December 2020;
- (d) the Asset Valuation Report, the text of which is set out in Appendix III to this circular; and
- (e) this circular.

10. EXPERTS’ QUALIFICATIONS AND CONSENTS

The following are the qualifications of the expert who have given its opinions or advice which are included in this circular:

Name	Qualification
Beijing Zhuoxindahua Appraisal Co., Ltd.* (北京卓信大華資產評估有限公司)	Independent professional appraiser

As at the Latest Practicable Date, the Valuer did not have any shareholding, direct or indirect, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the Valuer had given and had not withdrawn its written consent to the issue of this circular, with the inclusion herein of the references to its name and/or its opinion or statements in the form and context in which they respectively appear.

As at the Latest Practicable Date, the Valuer did not have any direct or indirect interest in any assets which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2020, the date to which the latest published audited financial statements of the Group were made up.

11. MISCELLANEOUS

- (a) The secretary of the Company is Mr. Liu Wei, who is a member of The Hong Kong Institute of Chartered Secretaries.
- (b) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (c) The head office and principal place of business of the Company is Unit 02-03, 69/F International Commerce Centre, 1 Austin Road West, Tsim Sha Tsui Kowloon, Hong Kong.
- (d) The Company's branch share registrar and transfer office in Hong Kong is Tricor Tengis Limited and is situated at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (e) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

The following is the text of a report, prepared for the purpose of incorporation in this circular received from Beijing Zhuoxindahua Appraisal Co., Ltd., a qualified asset valuer commissioned in connection with its valuation as at 31 January 2021 of the market value of 100% of equity interests in the Sino IC Leasing (Shenzhen) Co., Ltd..

Introduction

Beijing Zhuoxindahua Appraisal Co., Ltd. accepts the engagement by Sino IC Leasing Co., Ltd., in accordance with the provisions of laws, administrative regulations and asset appraisal standards, to abide by the principle of independence, objectivity and fairness, by adopting the asset-based approach, and based on necessary appraisal procedures, to appraise the market value of the all shareholder equity interests of Sino IC Leasing (Shenzhen) Co., Ltd. as at 31 January 2021 in relation to the proposed acquisition of equity interests in Sino IC Leasing (Shenzhen) Co., Ltd. by Sino IC Leasing Co., Ltd..

The asset appraisal is hereby reported as follows.

I. Client, Appraised Entity and Other Users of the Asset Valuation Report

The client of this appraisal is Sino IC Leasing Co., Ltd., the appraised entity is Sino IC Leasing (Shenzhen) Co., Ltd., and the users of the asset valuation report are the users of the asset valuation report as agreed in the asset appraisal engagement contract and other users of the asset valuation report as specified by laws and administrative regulations.

(i) Client and the Appraised Entity

Company Name:	Sino IC Leasing Co., Ltd.
Legal Residence:	Room 3205F, 32/F, 707 Zhang Yang Road, China (Shanghai) Pilot Free Trade Zone
Business Place:	Room 3205F, 32/F, 707 Zhang Yang Road, China (Shanghai) Pilot Free Trade Zone
Legal Representative:	Du Yang
Registered Capital:	RMB13,209,490,321

Principal Business Scope: financing leasing business; leasing business; purchase of leased property from home and abroad; residual value disposal and maintenance of leased property; consultation and guarantee for leasing transactions; and also commercial factoring business related to principal business. Any business activities subject to approval in accordance with the law can only be carried out after obtaining approval of relevant authorities.

(ii) *Client and the Appraised Entity*

1. Basic Information

Company Name: Sino IC Leasing (Shenzhen) Co., Ltd.

Legal Residence: Room 201, Building A, 1 Qianwan 1st Road, Qianhai Shenzhen—Hong Kong Cooperation Zone, Shenzhen (located in Shenzhen Qianhai Business Secretary Co., Ltd.)

Business Place: Room 201, Building A, 1 Qianwan 1st Road, Qianhai Shenzhen—Hong Kong Cooperation Zone, Shenzhen (located in Shenzhen Qianhai Business Secretary Co., Ltd.)

Legal Representative: Xia Yuan

Registered Capital: RMB 405,440,816.33

Sino IC Leasing (Shenzhen) Co., Ltd. was established on 18 July 2014 and obtained the business license of enterprise legal person with unified social credit code No. 91440300310587206X issued by Nanshan Bureau; Business Term: 18 July 2014 to 18 July 2044.

As of the appraisal date, the shareholding structure is set out below:

Amount Unit: RMB0'000

No.	Name of Shareholder	Amount of Capital Contributed	Percentage of Capital Contribution	Paid-in Amount	Paid-in Rate
1	Sino IC Leasing Co., Ltd.	20677.481633	51.00%	20677.481633	51.00%
2	Unisplendour Investment Holding Co.Limited	19866.6	49.00%	19866.6	49.00%
	Total	40544.081633	100.00%	40544.081633	100.00%

2. Business Management

Principal Business Scope: the general business items include: financing leasing business; leasing business; purchase of leased assets from home and abroad; residual value disposal and maintenance of leased property; consultation and guarantee for leasing transactions; and also commercial factoring business related to principal business (non-bank financing category); leasing of medical equipment and transportation equipment (excluding the leasing of automobiles with operators; if approval is required according to national regulations, any business operation must obtain approval before commencing).

3. The Company's Financial Position in Recent Years

The statement of the appraised entity as at the appraisal date is set out below:

Amount Unit: RMB0'000

Items	31 January 2021
Current assets	34,004.83
Non-current assets	19,372.58
Total assets	53,377.41
Current liabilities	5601.58
Non-current liabilities	4,771.34
Total liabilities	10,372.92
Net assets	43,004.49

Items	January 2021
Business income	205.49
Total profit	134.14
Net profit	99.89

Dahua Certified Public Accountants (Special General Partnership) has audited the financial statement of Sino IC Leasing (Shenzhen) Co., Ltd. as at the appraisal date and issued an unqualified opinion audit report "Da Hua Shen Zi [2021] No. 010129".

4. The Relationship Between the Client and the Appraised Entity

The client is the controlling shareholder of the appraised entity.

II. Purpose of the Appraisal

Sino IC Leasing Co., Ltd. proposes to acquire equity interests in Sino IC Leasing (Shenzhen) Co., Ltd. . The purpose of this appraisal is to provide a fair reflection of the market value of all shareholder equity interests of Sino IC Leasing (Shenzhen) Co., Ltd. as at 31 January 2021, being the appraisal date, in relation to the economic act of proposed acquisition of equity interests in Sino IC Leasing (Shenzhen) Co., Ltd. by Sino IC Leasing Co., Ltd. , and to provide a value reference opinion for such economic activity.

III. Target and Scope of Appraisal

The target of this appraisal is the value of all shareholder equity interests of Sino IC Leasing (Shenzhen) Co., Ltd., which is designated by the client to be applied to this economic activity.

The scope of this appraisal is all the audited assets and liabilities of Sino IC Leasing (Shenzhen) Co., Ltd.. The assets and liabilities as at the appraisal date are set out in the table below:

Amount Unit: RMB0'000

Item Name	Book Value	Item Name	Book Value
Total current assets	34,004.83	Total current liabilities	5,601.58
Monetary capital	1,168.03	Payroll payable	38.33
Prepayment	3.10	Tax payable	211.59
Other receivables	25,595.12	Other payables	86.84
Non-current assets due within one year	7,236.66	Non-current liabilities due within one year	5,264.81
Other current assets	1.92		
Total non-current assets	19,372.58	Total non-current liabilities	4,771.34
Long-term receivables	8,664.97	Long-term borrowings	3,562.50
Long-term equity investments	10,000.00	Lease liabilities	377.53
Fixed assets	5.23	Long-term payables	831.31
Right-of-use assets	534.91		
Long term deferred expense	0.91	Total liabilities	10,372.92
Deferred income tax assets	166.57	Total owners' equity	43,004.49
Total assets	53,377.41	Total liabilities and owners' equity	53,377.41

The subject and scope of this appraisal are consistent with those in relation to the economic activity of the proposed acquisition of equity interests by the client.

Dahua Certified Public Accountants (Special General Partnership) has audited the financial statement of Sino IC Leasing (Shenzhen) Co., Ltd. as at the appraisal date and issued an unqualified opinion audit report "Da Hua Shen Zi [2021] No. 010129".

Type and number of off-balance sheet assets declared by the enterprise: No off-balance sheet assets or liabilities were declared by the appraised entity in this appraisal, and no indications of possible off-balance sheet assets or liabilities were found by the asset appraisal professionals.

Type, number and book amount of assets cited, in relation to the conclusions of reports issued by other institutions: There are no reports of other institutions cited in this appraisal.

IV. Types of Value and their Definitions

Based on factors such as the purpose of this appraisal, market conditions and the characteristics of the appraised assets themselves, the type of value of the target of the appraisal is determined to be market value.

Market value is the estimated value amount of the target of the appraisal in an arm's length transaction as at the appraisal date between a willing buyer and a willing seller, each acting rationally and without any coercion.

V. Appraisal Date

The appraisal date for this project is 31 January 2021, which is determined by the client based on factors such as economic behaviour, accounting period end, interest rate and exchange rate changes.

VI. Basis of Appraisal

The laws and regulations, standards basis, ownership basis, pricing basis, of the State, local government and relevant authorities, which we have followed in this appraisal and the documents and basis referred to in this appraisal are mainly as follows:

(I) Basis of main laws and regulations

1. Asset Appraisal Law of the People's Republic of China;
2. Law of the People's Republic of China on State-owned Assets of Enterprises;
3. Company Law of the People's Republic of China;
4. Enterprise Income Tax Law of the People's Republic of China;
5. Property Rights Law of the People's Republic of China;
6. Interim Regulations on Supervision and Administration of State-owned Assets of Enterprises (Decree of the State Council [2003] No. 378);
7. Interim Measures on Administration of Appraisal of State-owned Assets of Enterprises (Decree of SASAC [2005] No. 12);
8. Circular on Issues Relating to Strengthening Administration of Appraisal of State-owned Assets of Enterprises (Guo Zi Chan Quan [2006] No. 274);
9. Circular on Matters Relating to the Review of the Appraisal Reports of State-owned Assets of Enterprises (Guo Zi Chan Quan [2009] No. 941);

10. Measures for Supervision and Administration of Enterprise State-owned Assets Transactions (Decree of SASAC and Ministry of Finance [2016] No. 32);
11. Rules for the Operation of State-owned Property Rights Transactions of Enterprises (Guo Zi Chan Quan [2009] No. 120);
12. Circular on Matters Relating to the Facilitation of the Transfer of State-owned Property Rights of Enterprises (Guo Zi Chan Quan [2014] No. 95);
13. Regulations on Certain Issues of State-owned Assets Appraisal Administration (Decree of Ministry of Finance No. 14);
14. Accounting Standards for Enterprises - Basic Standards (Decree of Ministry of Finance [2006] No. 33);
15. General Rules for Enterprise Finance (Decree of Ministry of Finance [2006] No. 41);
16. Other relevant laws and regulations.

(II) Basis of the Standards

1. The Basic Standards for Asset Appraisal (Cai Qi [2017] No. 43);
2. Code of Ethics for the Asset Appraisal Profession (Zhong Ping Xie [2017] No. 30);
3. Asset Appraisal Practice Standards - Asset Appraisal Procedures (Zhong Ping Xie [2018] No. 36);
4. Asset Appraisal Practice Standards - Asset Appraisal Reports (Zhong Ping Xie [2018] No. 35);
5. Asset Appraisal Practice Standards - Asset Appraisal Engagement Contracts (Zhong Ping Xie [2017] No. 33);
6. Asset Appraisal Practice Standards - Asset Appraisal Files (Zhong Ping Xie [2018] No. 37);
7. Asset Appraisal Practice Standards - Use of Expert Work and Related Reports (Zhong Ping Xie [2017] No. 35);
8. Asset Appraisal Standards - Enterprise Value (Zhong Ping Xie [2018] No. 38);
9. Guidelines on Enterprise State-owned Assets Appraisal Reports (Zhong Ping Xie [2017] No. 42);
10. Guidelines on Quality Control of the Business of Appraisal Institutions (Zhong Ping Xie [2017] No. 46);

11. Guidelines on Types of Asset Appraisal Values (Zhong Ping Xie [2017] No. 47);
12. Guidelines on the Legal Ownership of Asset Appraisal Targets (Zhong Ping Xie [2017] No. 48);
13. Asset Appraisal Practice Standards - Asset Appraisal Methods (Zhong Ping Xie [2019] No. 35);

(iii) Basis of Ownership

1. Other documentary proof of ownership provided by the appraised entity.

(iv) Basis of Pricing

1. Relevant national industrial policies, industry analysis information, parameter information, etc.;
2. Mechanical and Electrical Products Quotation Brochure closed to the appraisal date;
3. Other information such as contracts and accounting vouchers relating to the acquisition and use of assets, etc. by the enterprise.

(v) Other Reference Basis

1. Breakdown of asset appraisal declarations provided by the appraised entity;
2. Site survey questionnaire for asset appraisal professionals, other information collected and collated;
3. The latest edition of the Handbook of Common Methods and Parameters for Asset Appraisal;
4. The audit report relevant to this appraisal;
5. Other information relevant to this appraisal.

VII. Appraisal Approach

(i) Introduction to appraisal approach

The income approach in enterprise value appraisal refers to the appraisal approach that capitalises or discounts expected revenue to determine the value of the appraisal target.

The market approach in enterprise value appraisal refers to the appraisal approach that compares the appraisal target with comparable listed companies or comparable transaction cases to determine the value of the appraisal target.

The asset-based approach in enterprise value appraisal refers to the appraisal approach that uses the balance sheet of the appraised entity as at the appraisal date as the basis for appraising the value of various on-balance sheet and identifiable off-balance sheet assets and liabilities to determine the value of the appraisal target.

(ii) Analysis of Applicability of Appraisal Approach

When executing enterprise value appraisal business, asset appraisal professionals should analyse the applicability of the three basic approaches, namely the income approach, the market approach and the cost approach (asset-based approach), and select the appraisal approach based on the purpose of the appraisal, the target of the appraisal, the type of value and the collection of information, etc.

Based on the characteristics of the economic activity corresponding to the purpose of this appraisal and the operation information of the enterprise collected at the appraisal site, considering that the appraised entity's main income is derived from businesses such as financing leasing, and considering that the proportion of its business sources from related parties is large, and that the impact of the epidemic on its business cannot be taken into account in future annual forecasts, there is uncertainty about new financing leasing projects in future years, and the basis for future operating results cannot be accurately obtained, the enterprise is unable to make effective forecasts of the overall future operating conditions and cash flows, therefore, the income approach is not appropriate for the appraisal of this project.

Due to the lack of comparable enterprises in the current domestic capital market that are relatively similar or comparable to the appraised enterprises; and the lack of or difficulty in obtaining cases of equity transactions of similar enterprises due to the underdeveloped equity transactions market, therefore, the market approach is not appropriate for the appraisal of this project.

The appraisal results of the asset-based approach are mainly determined on the basis of the updated replacement cost of various assets and liabilities of the enterprise as at the appraisal date, which has a high degree of reliability, and there are no assets or liabilities that are difficult to identify and appraise in this appraisal, therefore, the asset-based approach is appropriate for the appraisal of this project.

(iii) Technical Idea and Model for Asset-based Approach

The asset-based approach adopted for this project is an appraisal technique idea for determining the value of an appraisal target, by using the amount of investment required to reconstruct an independently profitable enterprise with the same on- and off-balance sheet assets and liabilities as those of the appraisal target as at the appraisal date, as a basis for determining the value of the enterprise's overall assets to add up the appraisal value of the assets and liabilities of the various elements that make up the enterprise determined by specific appraisal approaches appropriate to the specific circumstances.

Asset-based Approach Appraisal Value Calculation Formula:

value of all shareholder equity interests = value of total assets of the enterprise - value of total liabilities

value of total assets of the enterprise = value of each on-balance sheet asset + value of each off-balance sheet asset

value of total liabilities of the enterprise = value of each on-balance sheet liability + value of each off-balance sheet liability

(iv) Appraisal Process of Asset-based Approach

1. Current assets

Include: monetary funds, prepayment, other receivables, non-current assets due within one year and other current assets.

(1) Monetary funds

Include: bank deposits. The appraisal value is determined at the verified book value for this appraisal.

(2) Receivables

Include: prepayment and other receivables.

Based on the original occurrence of each receivable, and based on the evidence sought to determine the bad debt loss, this appraisal analyses and tests the bad debt loss rate, and determines the appraised value by deducting the estimated appraised risk loss of the receivables according to the ageing analysis method, the individual determination method and the estimated risk loss method respectively.

The provision for bad debt is a provision made by the enterprise in accordance with the Accounting Standards for Enterprises and is determined at nil value in this appraisal.

(3) Non-current assets due within one year

It is the rent receivables and the appraised value is determined at the verified book value in this appraisal.

(4) Other current assets

It is input VAT to be deducted, etc., the appraised value is determined at the verified book value in this valuation.

2. Non-current assets

(1) Long-term receivables

They are mainly rent receivables with payment terms of 360 days or more. This appraisal determines the appraised value, based on the probable recoverable amount of each payment, by analysing and testing the bad debt loss rate in accordance with the evidence sought to determine the bad debt loss, and by deducting the estimated bad debt loss on the receivables according to the ageing analysis method, the individual determination method and the estimated risk loss method respectively.

(2) Long-term equity investment

In accordance with the requirements of the appraisal standards and the subsidiary's own operating conditions, the appraisal analyses the applicability of the asset-based approach, the income approach and the market approach to the subsidiary's overall enterprise assets and selects an appropriate appraisal approach for the appraisal. Finally, the appraised value of the long-term equity investment is determined based on the shareholding ratio of Sino IC Leasing (Shenzhen) Co., Ltd. in it.

(3) Fixed assets - equipment category

Most of the machinery equipments are single units and do not have overall profitability; it is not possible to find comparable references in the current market that are identical and similar, therefore, the cost approach is appropriate for this appraisal.

The cost approach refers to various appraisal approaches in which the replacement cost of the appraised asset is first estimated and then various depreciation factors already present in the appraised asset are estimated and deducted from the replacement cost to arrive at the value of the appraised asset.

Appraised value = Replacement cost x Determination of replacement cost for composite newness rate

Electronic equipment for office use and other equipment are quoted through the market to determine the purchase price and determine the replacement cost.

Replacement cost = purchase price - input tax

Determination of general or low value equipment newness rate:

Newness rate = (economic life years - used years) / economic life years x 100%

(4) Right-of-use asset

It is the net book value of the leased property determined by the enterprise in accordance with the relevant provisions of the new lease standards. For the right-of-use assets of the appraised entity, the appraised value is determined at the verified book value.

(5) Long-term deferred expense

It is the expense of office fit-out, the appraised value is determined in accordance with the amortisation period specified in the accounting policy, taking into account the value of these assets to match future revenue.

(6) Deferred income tax asset

It is deferred asset that is determined against enterprise income tax liabilities in subsequent periods for the purpose of asset impairment provisions, and the appraised value is determined at the verified book value.

3. Liabilities

These are current and non-current liabilities. These include: payroll payable, tax payable, other payables, non-current liabilities due within one year, long-term borrowings, lease liabilities and long-term payables.

This appraisal determines the appraised value based on the actual debt repayable after verification.

(v) *Determination of appraisal conclusions*

Through the above appraisal ideas, the asset-based approach is adopted as the conclusions of this appraisal.

VIII.Implementation process and situation of appraisal procedure

1. In order to achieve the purpose of acquiring the equity interest, the client, after approaching our Company, decided to engage our Company to appraise the value of entire equity interests of shareholders of the appraised entity. After accepting the project engagement, our Company determined the purpose of the appraisal and the type of value of the appraisal target based on the characteristics of the economic behaviour corresponding to this appraisal project; conducted a preliminary understanding of the specific contents of the appraisal target and the scope of the appraisal, negotiated with the client to determine the appraisal date, drew up the appraisal plan and signed the appraisal engagement contract.

2. In accordance with the provisions of Asset Appraisal Practice Standards - Procedures for Asset Appraisal, we provided the appraised entity with the declaration materials required for asset appraisal, instructed the appraised entity to inventory its assets, make enterprise profit forecast and fill in relevant forms; after completing the above-mentioned preliminary preparatory work, our company organized asset appraisal professionals to enter the appraisal site and commence on-site investigation, carrying out necessary investigations by means of enquiry, correspondence, verification, monitoring, survey and inspection, etc., understanding the economic and technical use status and legal ownership status of the assets, analysing the specific circumstances of the appraisal target, collecting the recent financial data and information of the enterprise and financial data and information of the enterprise as at the appraisal date, verifying whether the appraisal information declared by the enterprise is consistent with the accounting information provided by the enterprise, verifying whether each information requested is true and complete, and paying necessary attention to the legal ownership status of assets.
3. In accordance with the provisions of the relevant laws, standards and pricing basis, the applicable appraisal approach is adopted according to the specific circumstances of the assets respectively, market price information is collected and used as a reference basis for pricing, and the verified book value is appraised and estimated to determine the appraisal value.
4. Summarise appraisal results, analyse appraisal conclusions, prepare appraisal report, implement of internal 3 level audits and submit appraisal report.

IX. Appraisal Assumptions

The appraisal conclusions on the target of this project appraisal are reached based on the following assumptions that the premises and restrictions are established. If these premises and restrictions are not reasonably satisfied, the appraisal conclusions reached in this report are generally subject to change to varying degrees.

(i) General assumptions

1. Transaction assumption: It is assumed that all assets to be appraised are already in the process of transaction, the asset appraisers carry out appraisal based on simulated markets such as transaction conditions of the assets to be appraised.
2. Open market assumption: It is assumed that the parties to an asset traded, or proposed to be traded, in a market have equal status with each other and have opportunity and time to get sufficient market information to make an informed judgement about the function and use of the asset and its trading price, etc.
3. Enterprise going concern assumption: It is assumed that the appraised entity will continue as a going concern after the appraisal date.

4. Assumption of continued use of assets: It is assumed that the appraised assets will continue to be used legally and effectively in accordance with the planned use and conditions of use, such as the manner, scale, frequency and environment, and will not undergo material changes during the foreseeable period of use.

(ii) Special assumptions

1. It is assumed that there are no material changes in the relevant laws, regulations and policies in force in the country, the macroeconomic situation of the country and no material changes in the political, economic and social environment of the regions in which the parties to this transaction are located.
2. It is assumed that there will be no material changes in interest rates, exchange rates, tax bases and tax rates, policy levies, etc. relating to the appraised entity after the appraisal date.
3. It is assumed that the industry in which the appraised entity is located maintains a stable development trend and there are no material changes in the industry policies, management system and relevant requirements.
4. It is assumed that there are no force majeure and unforeseen factors that would have a material adverse impact on the appraised entity after the appraisal date.
5. It is assumed that the accounting policies adopted by the appraised entity after the appraisal date and the accounting policies adopted in the preparation of this asset valuation report are consistent in material respects.
6. It is assumed that the Company maintains its current management manner and management level and that the scope and manner of operation remains consistent with those at the current time.
7. It is assumed that the operator of the Company is responsible and that the management of the Company is capable of assuming its role.
8. It is assumed that the processes of acquiring, obtaining and constructing the assets involved in the target of appraisal are all in compliance with the provisions of relevant national laws and regulations.
9. It is assumed that there are no material differences between the accounting policies used in the historical financial information provided by the appraised entity and the accounting policies used in making the revenue forecast.
10. It is assumed that the cash inflow of the appraised entity is an average inflow and the cash outflow is an average outflow after the appraisal date.
11. It is assumed that contracts, agreements and winning bids provided by the appraised entity that are being performed or not yet performed are valid and can be completed within the planned time.

12. It is assumed that licenses, use permits, consent letters or other legal and administrative authorisation documents issued by national or local government authorities or organizations which are required for the appraised entity are all within the validity period and in normal and compliant use as at the appraisal date, and such licenses can be renewed or replaced upon expiry of their validity.

X. Appraisal Conclusions

After implementing the above appraisal approaches and procedures, the following appraisal conclusions are reached on the market value of entire equity interests of shareholders of Sino IC Leasing (Shenzhen) Co., Ltd. as at 31 January 2021 in relation to the purpose of the proposed acquisition of equity interests by the client:

The appraisal results of asset-based approach has been selected as the appraisal conclusions in this asset valuation report, namely: total book assets of RMB 533,774,100 before appraisal, with an appraised value of RMB 543,542,300, representing an appraisal added value of RMB 9,768,200, an added value rate of 1.83%; total book liabilities of RMB 103,729,200, with an appraised value of RMB 103,729,200, representing an appraisal added value of RMB 0.00, an added value rate of 0.00%; The net assets on the book of RMB 430,044,900, with an appraised value of RMB 439,813,100, representing an appraisal added value of RMB 9,768,200, an added value rate of 2.27%.

Table of Asset Appraisal Results

Amount Unit: RMB0'000

Items	Book Value A	Appraisal Value B	Added Value Rate	
			Added Value C=B-A	D=(B-A)/A (%)
Current assets	34,004.83	34,004.83	0.00	0.00
Non-current assets	19,372.58	20,349.40	976.82	5.04
Of which: long-term receivables	8,664.97	8,664.97	0.00	0.00
Long-term equity investments	10,000.00	10,976.78	976.78	9.77
Fixed assets	5.23	5.26	0.03	0.98
Right-of-use assets	534.91	534.91	0.00	0.00
Intangible assets	0.00	0.00	0.00	0.00%
Long-term deferred expense	0.91	0.91	0.00	0.00
Deferred income tax assets	166.57	166.57	0.00	0.00%
Other non-current assets	0.00	0.00	0.00	0.00%
Total assets	53,377.41	54,354.23	976.82	1.83
Current liabilities	5,601.58	5,601.58	0.00	0.00
Non-current liabilities	4,771.34	4,771.34	0.00	0.00
Total liabilities	10,372.92	10,372.92	0.00	0.00
Net assets	43,004.49	43,981.31	976.82	2.27

The appraised value of all shareholder equity interests of Sino IC Leasing (Shenzhen) Co., Ltd. is RMB 439,813,100.

The appraisal conclusions have been arrived at in accordance with the purpose, assumptions and limitations, basis, approaches and procedures set out in this asset valuation report and the appraisal conclusions are only valid if the said purpose, basis, assumptions and premises exist and the appraisal conclusions serve the purpose of this appraisal only.

XI. Notes on Special Matters

(i) Use or citation of external reports

1. Dahua Certified Public Accountants (Special General Partnership) has audited the book value of the financial data of the appraised entity on which this appraisal is based and issued an unqualified opinion audit report (Dahua Shen Zi [2021] No. 010129) dated 20 February 2021.
- (ii) Due to the lack of access to sufficiently abundant relevant market transaction statistic information and the lack of a basis for analysis and judgment on the extent of the impact of liquidity on the value of the appraisal target, the appraisal results of the asset-based and income approaches used in this exercise do not take into account the liquidity discount factor.
- (iii) The target of this appraisal is the value of entire equity interests of shareholders of the enterprise. The value of partial equity interests of shareholders is not necessarily equal to the product of the value of entire equity interests of shareholders and the percentage of equity, and the impact of a possible control premium or discount for lack of control on the appraised value has not been considered in this appraisal.
- (iv) The asset appraisal institution and the asset appraisal professionals shall not be liable for any other defective matters that may exist on the part of the client and the appraised entity that may affect the appraisal conclusions, if the client and the appraised entity have not specifically stated thereto and the asset appraisal professionals have performed the appraisal procedures and still cannot be informed of them.
- (v) The appraisal conclusions have not considered the impact on the appraisal conclusions of possible future mortgage and guarantee matters to be undertaken, as well as possible additional or reduced prices to be paid by special counterparties, etc. The appraisal conclusions have also not considered the impact of changes in national macroeconomic policies and the impact of natural forces and other force majeure on the value of the appraisal target; if the aforesaid conditions and other assumptions and premises such as the going concern principle followed in the appraisal change, the appraisal conclusions would generally be invalidated and the user of the report can not use this appraisal report, otherwise the user of the report shall bear all consequences.

- (vi) The appraisal conclusions have not taken into account the tax liabilities arising from the appraisal increase or decrease in value of the appraisal target, and the final tax liabilities to be undertaken shall be based on the amount of tax liabilities approved by the local tax authorities.
- (vii) If there is a material change in the number of assets between the appraisal report date and the validity of the appraisal report, the amount of assets should be adjusted accordingly; if there is a change in the asset price criteria which has a significant impact on the appraisal conclusions, a reappraisal should be carried out.

The treatment of the aforesaid special matters and the possible impact of the special matters on the appraisal conclusions are brought to the attention of the users of the asset appraisal report for their impact on economic behaviour.

XII. Statement of Restrictions on the use of the Asset Valuation Report

1. The asset valuation report can only be used for the appraisal purpose and usage as specified.
2. The asset valuation report may only be used by the report user as specified in the report, unless otherwise required by national laws and regulations. The asset appraisal institution and its asset appraiser shall not be liable if the client or other users of the asset appraisal report fail to use the asset appraisal report in accordance with the provisions of laws and administrative regulations and the scope of use set out in the asset appraisal report. Except for the client, other users of the asset valuation report as agreed in the asset appraisal engagement contract and the users of the asset appraisal report as required by laws and administrative regulations, no other institution or individual can be the user of the asset appraisal report.
3. Users of the asset valuation report should properly understand and use the appraisal conclusions, which are not equivalent to the realisable price of the appraisal target and should not be taken as a guarantee of the realisable price of the appraisal target.
4. If the asset appraisal report is required to be submitted to the relevant authorities for approval or filing in accordance with the current national regulations, it will not be officially used until the approval is obtained.
5. The contents of the asset valuation report shall not be extracted, cited or disclosed in the public media without the consent of the asset appraisal institution, except as required by laws and regulations and as otherwise agreed by the relevant parties.
6. The validity period for the use of the appraisal conclusions is one year from the appraisal date, and the asset valuation report shall not be used beyond the validity period of this report.

7. The right of interpretation of the asset valuation report shall be vested on the asset appraisal institution for this project solely,

except as otherwise required by national laws and regulations.

XIII. Appraisal Report Date

The date of this asset valuation report is 25 February 2021.



Asset Appraiser : Liu Xiaole



Asset Appraiser : Liu Chunru

Beijing Zhuoxindahua Appraisal Co., Ltd.
25 February 2021

NOTICE OF SPECIAL GENERAL MEETING



SINO ICT HOLDINGS LIMITED

芯成科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00365)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Sino ICT Holdings Limited (the “**Company**”) will be held at 9:30 a.m. on Wednesday, 26 May 2021 at Meeting Room 6, 558 Shibo Avenue, Pudong New District, Shanghai, China (or any adjournment thereof), for the purpose of considering, if thought fit, passing the following resolution as ordinary resolution of the Company. Unless otherwise defined, capitalised terms used herein shall have the same meanings as in the circular of the Company dated 10 May 2021 (the “**Circular**”).

ORDINARY RESOLUTION

“**THAT:**

1. (a) the Equity Transfer Agreement dated 1 April 2021 entered into by Unisplendour Investment and Sino IC Leasing, in relation to the Proposed Disposal of 48% equity interest in Sino IC (Shenzhen) Leasing and the transaction contemplated thereunder is hereby approved, confirmed and ratified; and
- (b) any Director be and is hereby authorised to do such acts and things, to sign and execute all such further documents and to take such steps as he may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Equity Transfer Agreement and the transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and to agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith.”

Yours faithfully,
On behalf of the Board
Sino ICT Holdings Limited
Du Yang
Chairman

Hong Kong, 10 May 2021

NOTICE OF SPECIAL GENERAL MEETING

Notes:

- (1) Under the current circumstance of the outbreak of the coronavirus (COVID-19), certain special measure will be implemented by the Company at the special general meeting (the “SGM”) in order to reduce the risk of infection, including: (i) compulsory body temperature check/screening; (ii) wearing of surgical face masks throughout the SGM; and (iii) keeping social distancing of at least 1.5 metres. In addition, Shanghai, China, being the location of the SGM, is currently implementing a series of quarantine measures, including, but not limited to, (a) to present the COVID-19 tested negative certification issued 72 hours prior to the scheduled flight departure; and (b) all visitors have to complete a 14 days of concentration observation and leave for destination with a quarantine certificate. Such quarantine measures may be adjusted from time to time and it is recommended that attendees should make reference to the latest policies and/or measures published by the local authorisation before planning their journey. **For the health and safety of Shareholders, it is highly recommended that Shareholders exercise their voting rights at the SGM by appointing the Chairman of the SGM as their proxy and return their proxy forms by the time specified below, instead of physical attending in person at the SGM.**
- (2) A shareholder of the Company entitled to attend and vote at the SGM is entitled to appoint another person as his proxy to attend and, subject to the provisions of the Bye-laws of the Company, vote on his behalf. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a Shareholder of the Company.
- (3) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If the appointer is a corporation, then the instrument shall be signed under seal or under hand of an officer, attorney or other person authorised in writing.
- (4) In order to be valid, the form of proxy 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, must be deposited at the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than forty-eight (48) hours before the time appointed for the holding of the special general meeting or any adjournment thereof in order for such documents to be valid. Completion and return of the form of proxy will not preclude any shareholder from attending and voting in person should he so desire and in such event the instrument appointing a proxy shall be deemed to be revoked.
- (5) For the purposes of determining the entitlements of the shareholders of the Company to attend and vote at the special general meeting, the register of members of the Company will be closed from Friday, 21 May 2021 to Wednesday, 26 May 2021 (both days inclusive), during which period no transfers of Shares will be registered. In order to qualify for the aforesaid entitlements, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Thursday, 20 May 2021.
- (6) As at the date hereof, the Board comprises:

Executive Directors:

Mr. Du Yang

(Chairman)

Mr. Yuan I-Pei

Mr. Xia Yuan

(Chief Executive Officer)

Non-executive Directors:

Mr. Li Yongjun

Mr. Li Jinxian

Independent Non-executive Directors:

Mr. Cui Yuzhi

Mr. Bao Yi

Mr. Ping Fan