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

If you have sold or transferred all your shares in China Dili Group, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, a licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中国地利集团
China Dili Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1387)

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

The notice convening the Annual General Meeting of China Dili Group to be held at Statue Square Room & Alexandra Room, 2/F, Mandarin Oriental, 5 Connaught Road Central, Hong Kong on Thursday, 24 June 2021 at 3:00 p.m. is set out on pages AGM-1 to AGM-6 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting or any adjournments. Completion of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

Measures to be taken with the aim of preventing and controlling the spread of COVID-19 at the AGM are set out in the notice of the AGM on page AGM-6 of this circular, which include:

- mandatory body temperature checks at the entrance of the venue of the AGM for all participants, including Shareholders or their proxies;
- compulsory wearing of surgical face masks for all participants, including Shareholders or their proxies;
- the number of seats at the venue of the AGM will be limited and available on a first-come-first-served basis and the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding and to enable social distancing;
- no distribution of corporate gift or refreshment and no eating or drinking in the venue of the AGM; and
- anyone who has travelled outside Hong Kong within 21 days before the AGM (a "Recent Record of Travelling"), who is subject to quarantine or self-quarantine related to COVID-19, or has close contact with any person who is undergoing quarantine or has a Recent Record of Travelling should not attend the AGM in person.

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue or be required to leave the AGM venue. The Company encourages Shareholders NOT to attend the AGM in person but to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the AGM as an alternative.

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DEFINITIONS

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

| | |
|---------------------------|--|
| “Annual General Meeting” | the annual general meeting of the Company to be held at Statue Square Room & Alexandra Room, 2/F, Mandarin Oriental, 5 Connaught Road Central, Hong Kong on Thursday, 24 June 2021 at 3:00 p.m., notice of which is set out on pages AGM-1 to AGM-6 of this circular, or any adjournment thereof |
| “Articles” | the articles of association of the Company |
| “Board” | the board of Directors |
| “Companies Law” | the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands |
| “Company” | China Dili Group, a company incorporated in the Cayman Islands whose members’ liability is limited, the shares of which are listed on the Stock Exchange |
| “Director(s)” | the director(s) of the Company |
| “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 People’s Republic of China |
| “Latest Practicable Date” | 18 May 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Shares |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission |
| “%” | per cent. |

LETTER FROM THE BOARD



中国地利集团
China Dili Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1387)

Executive Directors:

Mr. Wang Yan (*Chairman*)
Mr. Dai Bin (*Chief Executive Officer*)
Ms. Qin Xiang (*Chief Operating Officer*)

Non-executive Director:

Mr. Yin Jianhong

Independent non-executive Directors:

Mr. Fan Ren-Da, Anthony
Mr. Wang Yifu
Mr. Leung Chung Ki
Mr. Tang Hon Man

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Principal place of business
in Hong Kong:*

Room 4205-10, 42/F
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

25 May 2021

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information regarding matters to be proposed at the forthcoming Annual General Meeting, which include the proposed granting of the general mandates to issue new Shares and to repurchase Shares and the Directors proposed to be re-elected to enable you to make a decision on whether to vote for or against the resolutions in connection with such matters.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE NEW SHARES

An ordinary resolution will be proposed at the Annual General Meeting to grant a general and unconditional mandate to the Directors to exercise powers of the Company to allot, issue and deal with Shares with an aggregate nominal value not exceeding 20% of the share capital of the Company in issue as at the date of passing the Issue Mandate (as hereinafter defined) at any time until the next annual general meeting of the Company following the passing of the Issue Mandate (as hereinafter defined) or such earlier date as stated therein (the “**Issue Mandate**”) and to extend the Issue Mandate by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate (as defined below).

As at the Latest Practicable Date, a total of 8,896,289,780 Shares were in issue. Assuming no further Shares are issued or repurchased prior to the Annual General Meeting, up to a maximum of 1,779,257,956 Shares (in addition to any Shares repurchased under the Repurchase Mandate) would be allowed to be allotted and issued under the Issue Mandate.

GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution (the “**Repurchase Resolution**”) will be proposed at the Annual General Meeting to grant a general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase, at any time until the next annual general meeting of the Company following the passing of the Repurchase Resolution or such earlier date as stated therein, Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the Repurchase Resolution (the “**Repurchase Mandate**”).

Assuming no further Shares are issued or repurchased prior to the Annual General Meeting, up to 889,628,978 Shares would be allowed to be repurchased under the Repurchase Mandate.

An explanatory statement, as required under the Listing Rules to provide the requisite information in connection with the Repurchase Mandate, is set out in Appendix I to this circular.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with articles 86(3) and 87 of the Articles as well as the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules, Ms. Qin Xiang, Mr. Yin Jianhong, Mr. Fan Ren-Da, Anthony and Mr. Leung Chung Ki (together, “**Retiring Directors**”) will retire at the Annual General Meeting and be eligible for re-election by the Shareholders. All of the Retiring Directors will offer themselves for re-election by the Shareholders.

In which, Mr. Fan Ren-Da, Anthony has served the Board for more than 9 years and holds more than seven listed company directorships as independent non-executive directors as at the Latest Practicable Date. Over the past 10 years, the Board received from Mr. Fan Ren-Da, Anthony his annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considered him as independent. Possessing extensive working experience and knowledge and in-depth understanding of the Company’s operations and business, Mr. Fan Ren-Da, Anthony has expressed objective views and given independent opinion to the Company over the years, and he continues demonstrating a firm commitment to his role. The Board considers that the long service and other directorships of Mr. Fan Ren-Da, Anthony would not affect his exercise of independent judgment and is satisfied that Mr. Fan Ren-Da, Anthony has the required character, integrity and experience to continue fulfilling the role of independent non-executive Director.

The Board has also considered the skills, knowledge and professional experience of the independent non-executive Directors as described in their biographical information set out in Appendix II to this circular, having regard to the Company’s Board Diversity Policy and is of the view that Mr. Fan Ren-Da, Anthony and Mr. Leung Chung Ki have extensive professional experience in affairs of listed corporations and banking business respectively. With their strong educational background as well as their breadth and diversity of experience have enabled them to provide valuable and diverse views, as well as relevant insights to the Board and to contribute to the diversity of the Board.

The Board believes that the re-election of Mr. Fan Ren-Da, Anthony and Mr. Leung Chung Ki as independent non-executive Directors is in the best interest of the Company and the Shareholders as a whole.

Details of the Retiring Directors which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

A notice dated 25 May 2021 convening the Annual General Meeting is set out on pages AGM-1 to AGM-6 of this circular, which contains, among others, ordinary resolutions to approve the Issue Mandate, the Repurchase Mandate and the re-election of Retiring Directors.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting or any adjournments. Completion of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

In order to determine the list of Shareholders who will be entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed for registration of transfer of Shares from Monday, 21 June 2021 to Thursday, 24 June 2021 (both days inclusive) during which period no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on Thursday, 24 June 2021 shall be entitled to attend and vote at the Annual General Meeting. In order for the Shareholders to qualify for attending and voting at the Annual General Meeting, all transfer documents, accompanied by the relevant Share certificates, should be lodged for registration with Computershare Hong Kong Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before 4:30 p.m., Friday, 18 June 2021.

In light of the COVID-19 pandemic, to safeguard the health and safety of the Shareholders and other attendees of the Annual General Meeting and to minimize the risks of spreading the virus and infection, the Company encourages Shareholders NOT to attend the Annual General Meeting in person but appoint the chairman of the Annual General Meeting as their proxy to vote on relevant resolution(s) according to their indicated voting instructions as an alternative.

VOTING BY POLL

All the resolutions set out in the notice of the Annual General Meeting would be decided by poll in accordance with the Listing Rules and the procedures set out in the Articles. The chairman of Annual General Meeting will explain the detailed procedures for conducting a poll at the commencement of the Annual General Meeting.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy who is entitled to more than one vote need not use all of his/its votes or cast all of his/its votes in the same way.

After the conclusion of the Annual General Meeting, the poll results will be published on the website of the Stock Exchange at <http://www.hkexnews.hk> and the website of the Company at <http://www.diligrp.com>.

RECOMMENDATION

The Directors consider that the grant of the Issue Mandate and the Repurchase Mandate (and the extension thereto as described in resolution 7 set out in the notice of the Annual General Meeting on pages AGM-1 to AGM-6 of this circular) and the re-election of Retiring Directors are all in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

By Order of the Board
China Dili Group
Wang Yan
Chairman

This Appendix I serves as an explanatory statement, as required by Rule 10.06(1)(b) of the Listing Rules, to provide the requisite information to you to enable you to make an informed decision as to whether to vote for or against the Repurchase Resolution.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 8,896,289,780 Shares. Subject to the passing of the Repurchase Resolution at the Annual General Meeting and on the basis that no further Shares are issued or repurchased prior to the date of the Annual General Meeting, the Company would be allowed to repurchase a maximum of 889,628,978 Shares under the Repurchase Mandate, being 10% of the issued share capital of the Company.

REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share. Such repurchases will only be made as and when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASE

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association, the Listing Rules and the applicable laws of the Cayman Islands.

There might be material adverse impact on the working capital and gearing position of the Company (as compared with the financial position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2020) in the event that repurchases of Shares under the Repurchase Mandate were to be carried out in full during the period of the Repurchase Mandate.

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

SHARE PRICES

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

| Month | Share prices | |
|---|------------------------|-----------------------|
| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
| <u>2020</u> | | |
| May | 1.85 | 1.61 |
| June | 1.78 | 1.50 |
| July | 2.10 | 1.55 |
| August | 2.60 | 1.97 |
| September | 2.35 | 1.94 |
| October | 2.05 | 1.78 |
| November | 1.98 | 1.59 |
| December | 2.95 | 1.69 |
| <u>2021</u> | | |
| January | 2.79 | 2.31 |
| February | 3.08 | 2.37 |
| March | 2.74 | 1.90 |
| April | 2.35 | 2.04 |
| May (up to the Latest Practicable Date) | 2.51 | 1.98 |

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have any present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the Repurchase Resolution in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

TAKEOVERS CODE

If as a result of repurchase(s) of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of his or their interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Dai Yongge's personal interest and interest from his spouse together with his interest in Super Brilliant Investments Limited ("**Super Brilliant**"), Wealthy Aim Holdings Limited ("**Wealthy Aim**") and Gloss Season Limited ("**Gloss Season**") was deemed to have a long position of 5,645,365,507 Shares and short position of 6,655,629 Shares, representing approximately 63.45% and 0.07% of the total issued share capital of the Company respectively. If the Directors exercise the Repurchase Mandate in full to repurchase 889,628,978 Shares, and assuming that there is no alteration to the existing shareholding of Mr. Dai Yongge's personal interest and interest from his spouse together with his interest in the Company through Super Brilliant, Wealthy Aim and Gloss Season, Mr. Dai Yongge's long and short positions in the Company will increase to approximately 70.51% and 0.08% respectively.

As at the Latest Practicable Date, Ms. Zhang Xingmei's interest from her spouse together with her interest in New Amuse Limited ("**New Amuse**") was deemed to have a long position of 5,645,365,507 Shares and short position of 6,655,629 Shares, representing approximately 63.45% and 0.07% of the total issued share capital of the Company respectively. If the Directors exercise the Repurchase Mandate in full to repurchase 889,628,978 Shares, and assuming that there is no alteration to the existing shareholding of Ms. Zhang Xingmei's interest from her spouse together with her interest in the Company through New Amuse, Ms. Zhang Xingmei's long and short positions in the Company will increase to approximately 70.51% and 0.08% respectively.

Accordingly, the Directors are not aware of any consequences that would give rise to an obligation to make a mandatory general offer under the Takeovers Code in the event that the Repurchase Mandate is exercised in full. The Directors have no intention to exercise the Repurchase Mandate to such an extent it will trigger the obligations under the Takeover Code for Mr. Dai Yongge and Ms. Zhang Xingmei to make a mandatory general offer. The Directors believe that repurchase(s) of Shares under the Repurchase Mandate would not result in the number of Shares held by the public being reduced to less than 25% of the total issued share capital of the Company.

SHARE REPURCHASE BY THE COMPANY

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

The following sets out the details of the Directors who will retire and, being eligible, offer themselves for re-election at the Annual General Meeting pursuant to the Articles:

Biographical Information

Executive Director

Ms. QIN Xiang

Ms. QIN Xiang (秦湘), aged 47, was appointed as our Executive Director in June 2020. Ms. Qin is also the vice president and Chief Operating Officer of the Company. She is responsible for market operation, innovative business and digital platform of the Group. Ms. Qin joined the Group in December 2019. She has over 9 years' experience in technical development and over 17 years' experience in finance and business operation. Prior to joining the Group, she served as deputy general manager of clearing centre, general manager of custody department and general manager of asset management company of China Merchants Securities Co., Ltd. (the securities of which are listed on the Shanghai Stock Exchange with stock code: 600999 and the Main Board of the Stock Exchange with stock code: 6099). During her term of office, she was awarded with various municipal and ministerial honours including Shenzhen Financial Innovation Award *(深圳市金融創新獎) and the gold prize of State-owned Enterprises Youth Innovation Award of the third "Aerospace and Science and Industry Prize*" ("航天科工杯"第三屆中央企業青年創新成果金獎). Ms. Qin graduated from Central South University with computer science and application and obtained a master degree in computer science.

Ms. Qin has no relationship with any Director, senior management or substantial or controlling Shareholder of the Company. Ms. Qin does not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

Pursuant to Part XV of the SFO, Ms. Qin is deemed to have interest in a long position of 800,000 Shares held by her spouse as at the Latest Practicable Date. Ms. Qin has entered into a service contract with the Company for three years and Ms. Qin's existing annual emolument is HK\$3,350,000 as well as a discretionary bonus (determined based on the performance of the Company and her performance). The emoluments of the Directors are determined with reference to that director's responsibilities, abilities and performance, the Company's operations as well as the remuneration benchmark in the prevailing market conditions.

* For identification purpose only

*Non-Executive Director***Mr. YIN Jianhong**

Mr. YIN Jianhong (尹建宏), aged 63, was appointed as our Non-executive Director in December 2018. He is a member of the audit committee of the Board of the Company. He graduated with master degree in economics in Northwest University* (西北大學). Mr. Yin has over 40 years' experience in economic management. He has served as chairman of Renhe Investments Holdings Corporation Company Limited* (人和投資控股股份有限公司) since September 2018 and a director of Dili Agri-products Investments Holdings Co., Ltd.* (地利農產品投資控股有限公司) since April 2014. He also served as chairman of Shouguang Dili Agri-products Group Company Limited from April 2014 to June 2019. Prior to this, Mr. Yin served as deputy director of State-owned Assets Supervision and Administration Commission of Xi'an City from October 2005 to November 2013. From February 1999 to September 2005, he served as president of Commercial Bank of Xi'an (currently known as Bank of Xi'an). From July 1992 to September 1996, he served as general manager of Shaanxi International Trust Co., Ltd.* (陝西省國際信託投資股份有限公司). From September 1986 to June 1992, he served as director of accounting division of the Shaanxi Branch of China Construction Bank. From October 1985 to August 1986, he was the principal of Shaanxi Shangluo Finance and Accounting School* (陝西省商洛財政會計學校).

Mr. Yin has no relationship with any Director, senior management or substantial or controlling Shareholder of the Company. Mr. Yin does not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Yin has a long position of 4,835,000 Shares pursuant to part XV of the SFO. Mr. Yin has entered into a service contract with the Company for a term of one year and Mr. Yin shall not be entitled to receive any emoluments. The emoluments of the Directors are determined with reference to that director's responsibilities, abilities and performance, the Company's operations as well as the remuneration benchmark in the prevailing market conditions.

* For identification purpose only

*Independent Non-executive Directors***Mr. FAN Ren-Da, Anthony**

Mr. FAN Ren-Da, Anthony (范仁達), aged 60, joined in 2007 as an Independent Non-executive Director of the Company. He is also the chairman of audit committee of the Board of the Company. Mr. Fan holds a Master's Degree in Business Administration from the United States of America. He is the chairman and managing director of AsiaLink Capital Limited and the founding president of The Hong Kong Independent Non-Executive Director Association. Mr. Fan has extensive experience in reviewing and analyzing financial statements of listed corporations and private sectors. Prior to that, he held senior positions with various international financial institutions and was the managing director of a company listed on the Stock Exchange. Mr. Fan is an independent non-executive director of CITIC Resources Holdings Limited (Stock Code: 1205), Raymond Industrial Limited (Stock Code: 229), Uni-President China Holdings Ltd. (Stock Code: 220), China Development Bank International Investment Limited (Stock Code: 1062), Neo-Neon Holdings Limited (Stock Code: 1868), Shanghai Industrial Urban Development Group Limited (Stock Code: 563), Technovator International Limited (Stock Code: 1206), Tenfu (Cayman) Holdings Company Limited (Stock Code: 6868), Hong Kong Resources Holdings Company Limited (Stock Code: 2882) and Semiconductor Manufacturing International Corporation (Stock Code: 981), all of them are listed on the Main Board of the Stock Exchange. Apart from these, Mr. Fan was an independent non-executive director of CGN New Energy Holdings Co., Ltd. (Stock Code: 1811) which is listed on the Main Board of the Stock Exchange in the past three years.

Mr. Fan has no relationship with any Director, senior management or substantial or controlling Shareholder of the Company. Save as disclosed above, Mr. Fan does not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

At as the Latest Practicable Date, Mr. Fan does not have any long or short positions in the Company pursuant to Part XV of the SFO. Mr. Fan has entered into a service contract with the Company for a term of one year and Mr. Fan's existing annual emolument is HK\$480,000. The emoluments of the Directors are determined with reference to that director's responsibilities, abilities and performance, the Company's operations as well as the remuneration benchmark in the prevailing market conditions.

Mr. LEUNG Chung Ki

Mr. LEUNG Chung Ki (梁松基), aged 64, was appointed as the Independent Non-executive Director of the Company in 2012. He graduated with bachelor degree in business administration in the Chinese University of Hong Kong and a master degree in business administration in the De Paul University in United States of America. Mr. Leung is an independent non-executive director of PYI Corporation Limited, a company listed on the main board of the Stock Exchange with stock code: 498. He has over 20 years of banking experience and holds directorships in various companies engaging in investment since 2000.

Mr. Leung has no relationship with any Director, senior management or substantial or controlling Shareholder of the Company. Save as disclosed above, Mr. Leung does not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Leung does not have any long or short positions in the Company pursuant to Part XV of the SFO. Mr. Leung has entered into a service contract with the Company for a term of one year and Mr. Leung's existing annual emolument is HK\$360,000. The emoluments of the Directors are determined with reference to that director's responsibilities, abilities and performance, the Company's operations as well as the remuneration benchmark in the prevailing market conditions.

Save as disclosed above, there is no other information which is discloseable nor is/was each of the Retiring Directors involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(x) of the Listing Rules. There is no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of them.

NOTICE OF ANNUAL GENERAL MEETING



中国地利集团 China Dili Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1387)

NOTICE IS HEREBY GIVEN that an annual general meeting of China Dili Group (the “**Company**”) will be held at Statue Square Room & Alexandra Room, 2/F, Mandarin Oriental, 5 Connaught Road Central, Hong Kong on Thursday, 24 June 2021 at 3:00 p.m. (the “**AGM**”) for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2020 together with the reports of the directors and the independent auditors thereon.
2. To re-elect the retiring directors (namely, Ms. Qin Xiang, Mr. Yin Jianhong, Mr. Fan Ren-Da, Anthony and Mr. Leung Chung Ki).
3. To authorise the board of directors of the Company (the “**Board**”) to fix the remuneration of the Directors.
4. To re-appoint Messrs. KPMG as auditors and to authorise the Board to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without modifications the following ordinary resolutions:

5. “**THAT**
 - (i) subject to paragraph (iii) below, a general mandate be and is hereby unconditionally granted to the directors of the Company (the “**Directors**”) to exercise during the Relevant Period (as defined in paragraph (iv) below) all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 in the share capital of the Company (the “**Shares**”) and to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into Shares) or warrants which would or might require the exercise of such powers, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (as amended from time to time);

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the mandate approved in paragraph (i) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into Shares) and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate approved in paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as defined in paragraph (iv) below); or (b) any option scheme or similar arrangement for the time being adopted by the Company for the purpose of granting or issuing Shares or right to acquire Shares to the directors, officers and/or employees of the Company and/or any of its subsidiaries; or (c) an issue of Share in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company from time to time; or (d) pursuant to a specific authority granted by the Shareholders or (e) an issue of Shares as scrip dividend or similar arrangement in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said mandate shall be limited accordingly; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution of the Company in general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any legal restrictions or obligations under the laws of the relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong).”

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6. **“THAT**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (iii) below) of all powers of the Company to purchase or otherwise acquire Shares on the Stock Exchange or on any other stock exchange on which the Shares may be listed and recognised by the Stock Exchange and the Hong Kong Securities and Futures Commission for this purpose, subject to and in accordance with all applicable laws and the requirements of the Hong Kong Code on Share Buy-backs and the Listing Rules (as amended from time to time) be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of the Shares which are authorised to be purchased pursuant to the approval in paragraph (i) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (iii) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (c) the date on which the authority sets out in this resolution is revoked or varied by an ordinary resolution of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

7. **“THAT**

conditional upon the passing of the resolutions set out in paragraphs 5 and 6 of the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to the resolution set out in paragraph 5 of the notice convening this meeting be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of shares of the Company purchased or otherwise acquired by the Company pursuant to the authority granted to the Directors under the resolution set out in paragraph 6 above of the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By Order of the Board
China Dili Group
Wang Yan
Chairman

Hong Kong, 25 May 2021

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:

Room 4205–10, 42/F
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

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Notes:

1. In order to determine the list of shareholders of the Company (the “**Shareholders**”) who will be entitled to attend and vote at the AGM, the register of members of the Company will be closed for registration of transfer of Shares from Monday, 21 June 2021 to Thursday, 24 June 2021 (both days inclusive) during which period no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on Thursday, 24 June 2021 shall be entitled to attend and vote at the AGM. In order for the Shareholders to qualify for attending and voting at the AGM, all transfer documents, accompanied by the relevant Share certificates, should be lodged for registration with Computershare Hong Kong Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong on or before 4:30 p.m., Friday, 18 June 2021.
2. Any Shareholder entitled to attend and vote at the above meeting is entitled to appoint one or, if he is the holder of two or more Shares, one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
3. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the office of the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong at least 48 hours before commencement of the above meeting or any adjournment thereof.
4. In relation to the proposed resolution numbered 5 above, approval is being sought from the Shareholders for the granting of a general mandate to the Directors to authorise the allotment and issue of Shares under the Listing Rules. The Directors have no immediate plans to issue any new Shares.
5. In relation to the proposed resolution numbered 6 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances which they deem appropriate for the benefit of the Shareholders. An explanatory statement containing the information necessary to enable the Shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the Appendix I in the circular of which this notice of the AGM forms part.
6. Delivery of an instrument appointing a proxy shall not preclude a Shareholder from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
7. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such Share as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the meeting in person or by proxy, the vote of one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall be accepted to the exclusion of the votes of the other joint holders.
8. The resolutions at the AGM will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.

As at the date of this notice, the executive Directors are Mr. Wang Yan, Mr. Dai Bin and Ms. Qin Xiang; the non-executive Director is Mr. Yin Jianhong; and the independent non-executive Directors are Mr. Fan Ren-Da, Anthony, Mr. Wang Yifu, Mr. Leung Chung Ki and Mr. Tang Hon Man.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL NOTICE

For ongoing prevention and control of the COVID-19 pandemic and to safeguard the health and safety of the Shareholders and other persons attending the AGM, the Company regrets to inform the Shareholders that there will be no distribution of corporate gift or serving of refreshment in the AGM. When entering the meeting venue, participants including the Shareholders or their proxies attending the AGM in person should allow their body temperatures to be checked and wear surgical face masks and maintain appropriate distance from each other throughout the AGM. Participants should also refrain from eating and drinking in the meeting venue.

The number of seats at the venue of the AGM will be limited and available on a first-come-first-served basis and the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding and to enable social distancing. Anyone who has travelled outside Hong Kong within 21 days before the AGM (a “**Recent Record of Travelling**”), who is subject to quarantine or self-quarantine related to COVID-19, or has close contact with any person who is undergoing quarantine or has a Recent Record of Travelling should not attend the AGM in person.

Any person who does not comply with the precautionary measures may be denied the entry into the meeting venue. The Company also encourages Shareholders NOT to attend the AGM in person but appoint the chairman of the meeting as their proxy to vote on relevant resolution according to their indicated voting instructions as an alternative. When assessing whether or not it is necessary to adjourn the AGM or change the meeting venue, the Board will consider the impact of the latest outbreak of COVID-19 in the local community, the measures announced by the Government of the Hong Kong Special Administrative Region and/or any applicable regulatory body in connection with COVID-19 and the availability of suitable meeting venue(s). If necessary, the Company will post an announcement on the website of the Company at <http://www.diligrp.com> and the website of the Stock Exchange at <http://www.hkexnews.hk> as soon as practicable to notify the Shareholders of any change to the meeting venue or the date, time and place of any adjourned meeting.