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If you have sold or transferred all your shares in Pa Shun International Holdings Limited (“Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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百信集團
PASHUN GROUP

Pa Shun International Holdings Limited

百信國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 574)

**(1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 15 of this circular.

A notice dated 31 May 2021 convening an annual general meeting of the Company to be held at Luxembourg Hall, 6th Floor, Jinyun Hotel, No. 668 Jinfu Road, Chengdu City, the PRC on Wednesday, 30 June 2021 at 3:00 p.m. is set out on pages 19 to 24 of this circular. Whether or not you intend to attend such meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event by 3:00 p.m. on Monday, 28 June 2021 or not less than 48 hours before the time fixed for holding the adjourned annual general meeting to the office of the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting and any adjournment thereof if you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

31 May 2021

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company convened to be held on Wednesday, 30 June 2021, at 3:00 p.m. at Luxembourg Hall, 6th Floor, Jinyun Hotel, No. 668 Jinfu Road, Chengdu City, the PRC, the notice of which is set out on pages 19 to 24 of this circular
“Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Company”	Pa Shun International Holdings Limited 百信國際控股有限公司, a company incorporated in the Cayman Islands with limited liability with its securities listed on the Stock Exchange
“core connected person(s)”	has the meaning ascribed to this term under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate as set out in the resolution numbered 5(C) in the notice convening the AGM
“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

DEFINITIONS

“Issue Mandate”	the general mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to issue, allot and deal with up to 20% of the number of issued Shares as at the date of the passing the relevant resolution as set out in the resolution numbered 5(A) in the notice convening the AGM
“Latest Practicable Date”	26 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
“PRC”	the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to repurchase up to 10% of the number of issued Shares as set out in the resolution numbered 5(B) in the notice convening the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong
“%”	per cent.

References to time and dates in this circular are to Hong Kong time and dates.

LETTER FROM THE BOARD



百信集團
PASHUN GROUP

Pa Shun International Holdings Limited
百信國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 574)

Executive Directors:

Professor Xiao Kai
Mr. Shen Shun
Mr. Yang Bo

Non-executive Directors:

Mr. Zhang Xiongfeng
Mr. Hu Haisong
Mr. Wu Guohua

Independent non-executive Directors:

Mr. Cao Lei
Mr. Ng Wai Tsan
Mr. Chen Yongsheng

Registered office:

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

Principal place of business in

Hong Kong:
Unit K, 3/F
Wanda Industrial Building
328 Kwun Tong Road
Kwun Tong, Kowloon
Hong Kong

31 May 2021

To the Shareholders

Dear Sir or Madam

**(1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
AND
(2) PROPOSED RE-ELECTION OF DIRECTORS**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM relating to (i) the granting to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (ii) the re-election of Directors.

LETTER FROM THE BOARD

2. PROPOSED GRANT OF GENERAL MANDATES

At the annual general meeting of the Company held on 31 July 2020, the Directors were granted a general mandate to repurchase Shares not exceeding 10% of the number of issued Shares as at the date of the passing of the resolution.

The general mandate previously granted to the Directors to repurchase Shares by the Shareholders at the annual general meeting of the Company held on 31 July 2020 will expire at the conclusion of the AGM. In order to give the Company the flexibility to repurchase and issue Shares if and when appropriate, at the AGM, the following separate ordinary resolutions will be proposed to approve the grant of new general mandates to the Directors:

- (a) the Issue Mandate to allot, issue and otherwise deal with Shares not exceeding 20% of the number of issued Shares as at the date of the passing of such resolution;
- (b) the Repurchase Mandate to repurchase issued and fully paid Shares on the Stock Exchange up to a maximum of 10% of the number of issued Shares as at the date of the passing of such resolution; and
- (c) to add the number of the Shares repurchased by the Company pursuant to the Repurchase Mandate to the Issue Mandate.

As at the Latest Practicable Date, there were in aggregate 1,474,992,908 Shares in issue. Subject to the passing of the proposed resolutions for the grant of the Issue Mandate and the Repurchase Mandate, and on the basis that no further Shares will be issued or repurchased prior to the date of the AGM, exercise in full of the Repurchase Mandate will result in up to 147,499,290 Shares being repurchased by the Company, and the Directors will be authorised to allot and issue under the Issue Mandate up to 294,998,581 Shares, and to the extent the Repurchase Mandate is exercised, plus the number of Shares representing the number of issued Shares repurchased by the Company under the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate shall continue in force during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by any applicable law or by the Articles of Association; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the Listing Rules to be included in this circular is set out in the Appendix to this circular.

3. RE-ELECTION OF DIRECTORS

Pursuant to Article 84 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Any Director who has not been subject to retirement by rotation in the three years preceding the annual general meeting shall retire by rotation at such annual general meeting. The Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed by the Board pursuant to Article 83(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

Pursuant to Article 83(3) of the Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

In accordance with Article 83(3) of the Articles of Association, each of Professor Xiao Kai (“**Prof. Xiao**”), Mr. Yang Bo (“**Mr. Yang**”), Mr. Cao Lei (“**Mr. Cao**”), Mr. Ng Wai Tsan (“**Mr. Ng**”) and Mr. Chen Yongsheng (“**Mr. Chen**”), all being appointed by the Board as a Director on 22 February 2021, shall retire from office at the AGM, and being eligible, will offer himself for re-election at the AGM.

LETTER FROM THE BOARD

Pursuant to Article 84 of the Articles of Association and paragraph A.4.2 of Appendix 14 of the Listing Rules, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Accordingly, the Directors retiring by rotation at the AGM are Mr. Hu Haisong (“**Mr. Hu**”) and Mr. Wu Guohua (“**Mr. Wu**”), who are eligible for re-election at the AGM. As at the Latest Practicable Date, the Company has not received any notice from Mr. Hu and Mr. Wu that they do not wish to offer themselves for re-election at the AGM.

The biographical details of all the Directors subject to re-election are as follows:

EXECUTIVE DIRECTORS

XIAO KAI (肖凱), aged 40, was appointed as the chairman of the Board, an executive Director and the chairman of the nomination committee of the Board on 22 February 2021. Prof. Xiao is currently the chairman of Hong Kong Cambridge Education Group (香港劍橋教育集團) and the chairman of Shenzhen Qianhai Huirong Asset Management Co., Ltd. (深圳前海匯容資產管理有限公司). He has extensive experience in investment and industrial operation and has notable achievements in mergers and acquisitions and equity investment. Prof. Xiao is a Certified Mergers and Acquisitions Dealmaker of the China Mergers & Acquisitions Association and once worked as the general manager of the investment banking department of Tianhong Asset Management Co., Ltd. (天弘資產管理有限公司).

In 2016, he founded Hong Kong Cambridge Education Group (香港劍橋教育集團) and is both the chairman and the chief executive officer. Hong Kong Cambridge Education Group focuses on pre-school education for children aged 2 to 6 years and K12 education, training and study tours. Prof. Xiao has invested and run schools in Hong Kong and many provinces and cities in Mainland China, including Harbin in Heilongjiang, Dalian in Liaoning, Hebei, Henan, Shandong, Jiangxi, Guangxi, Shenzhen in Guangdong to provide high-quality pre-school education and K12 education services. Hong Kong Cambridge Education Group and its schools have obtained many honours such as Provincial Model Kindergarten, Municipal Model Kindergarten, Excellent Private School, China’s Economic Innovation Enterprise in the New Era, Preferred Brand in China’s Education Industry, and Advanced Technology Enterprise in China’s Education Industry.

LETTER FROM THE BOARD

Prof. Xiao is a Hong Kong and Macao member of the Chinese People's Political Consultative Conference ("CPPCC") in Heilongjiang Province and a Hong Kong and Macao member of CPPCC in Pudong New Area, Shanghai. He is an Honorary Permanent President, Vice President and Standing Secretary of the Federation of Industry and Commerce in all districts in Hong Kong. In 2015, he was awarded the first Top 10 Outstanding New Hong Kong Youths in Hong Kong. In 2016 and 2019, he received the "Education Contribution Award" by Harbin Institute of Technology. In July 2019, he was engaged as an adjunct professor of Harbin Institute of Technology.

Prof. Xiao graduated from the Department of Applied Mathematics of The Hong Kong Polytechnic University with a master degree in science majoring in actuarial science and investment. He also graduated from the School of Mechanical and Electrical Engineering, Harbin Institute of Technology with a master degree in engineering and a bachelor degree in engineering majoring in mechanical design, manufacturing and automation.

Pursuant to the service contract made between Prof. Xiao and the Company, Prof. Xiao has been appointed as an executive Director for a term of three years with effect from 22 February 2021, unless terminated by no less than 3 months' notice in writing served by either party on the other. Prof. Xiao is subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Pursuant to his service contract, Prof. Xiao is not entitled to any director's emolument until the grant of the authority to the Directors to determine the directors' emolument having been approved by the Shareholders at the AGM, which will be determined with reference to his background, experience, duties and responsibilities with the Group and the prevailing market conditions.

YANG BO (楊波), aged 41, was appointed as an executive Director on 22 February 2021. Mr. Yang graduated from the Instrument Science and Engineering Department of Southeast University, is the founder of Fanmai Assets (凡麥資產) and Tide Venture Group (泰德創業集團). He has been the chief executive officer of Shanghai Fanmai Assets Management Co., Ltd. (上海凡麥資產管理有限公司) since 2016. He once served as the managing director of Shenzhen Qianhai Wutong M&A Fund (深圳前海梧桐併購基金), partner of Shanghai Heshan Investment Co., Ltd. (上海和山投資有限公司), and the chief financial officer of Shanghai Oufei Digital Card Co., Ltd. (上海歐飛數卡有限責任公司) over the past 10 more years. Mr. Yang is an investment banker specializing in technology, environmental protection and education. He is also a senior expert in the industrial investment and mergers and acquisitions sectors. He has extensive experience in corporate listing, private equity, direct investment, cross-border mergers and acquisitions and industrial funds. He has successively led the setting up, investment and management of Jiaying Digital Expo Fund (嘉興數博基金), Lanyu Phoenix Fund (嵐裕鳳凰基金), Luolai Wutong Fund (羅萊梧桐基金), Infinite Dream Fund (無限夢想基金), Xinyue Cultural Fund (新越文化基金) and Fanmai No. 7 Fund (凡麥七號基金). Mr. Yang is also one of the founding members of the renowned environmental protection organization "Green Stone".

LETTER FROM THE BOARD

Pursuant to the service contract made between Mr. Yang and the Company, Mr. Yang has been appointed as an executive Director for a term of three years with effect from 22 February 2021, unless terminated by no less than 3 months' notice in writing served by either party on the other. Mr. Yang is subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Pursuant to his service contract, Mr. Yang is not entitled to any director's emolument until the grant of the authority to the Directors to determine the directors' emolument having been approved by the Shareholders at the AGM, which will be determined with reference to his background, experience, duties and responsibilities with the Group and the prevailing market conditions.

NON-EXECUTIVE DIRECTORS

HU HAISONG (胡海松), aged 53, was appointed as a non-executive Director on 20 May 2019. Mr. Hu has a strong track record in pursuing crossborder business opportunities primarily in the energy and resources industry. Mr. Hu has substantial experience in business management and management and supervision of investment projects in various sectors and industries, including oil and gas related industry, trading of commodities and real estates. He has been appointed as a non-executive director of Goldstone Investment Group Limited (formerly known as Eagle Ride Investment Holdings Limited), a company whose shares are listed on the Main Board of the Stock Exchange (Stock code: 901) from 1 November 2013 to 18 August 2020. Mr. Hu is currently the chairman and director of APAC Investment Holdings Limited ("APAC"). APAC is principally engaged in investment holding focusing on the energy sector and high growth private investments. Mr. Hu is also a director of Bluesea Energy Holdings Limited, a limited liability company incorporated in Hong Kong and is principally engaged in providing consultancy services in the oil and gas related industry and the trading of petroleum related products, including crude oil and fuel oil. Mr. Hu obtained a Doctor degree in Business Administration honoris causa by Dubna International University for Nature, Society and Man in June 2013.

The Company currently has not entered into any letter of appointment with Mr. Hu in relation to the appointment of Mr. Hu as a non-executive Director. Mr. Hu is subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Mr. Hu is currently not entitled to any director's emolument.

LETTER FROM THE BOARD

WU GUOHUA (吳國華), aged 37, was appointed as a non-executive Director on 20 May 2019. Mr. Wu has a strong track record primarily in real estate and financial investment industries. Mr. Wu has extensive experience in the management and planning of the industrial structure chain of the real estate industry. He is currently a director of 海南天宇房地產 (in English for identification purpose only, Hainan Tianyu Real Estate), which was awarded as the local enterprise with the strongest capabilities in the real estate development industry in Hainan. Such company is a diversified conglomerate integrating multiple sectors such as tourism, finance, trading, education, medical, agriculture and high technology. Mr. Wu obtained a Bachelor degree in Finance and Economics from The University of New South Wales in Australia in 2005.

The Company currently has not entered into any letter of appointment with Mr. Wu in relation to the appointment of Mr. Wu as a non-executive Director. Mr. Wu is subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Mr. Wu is currently not entitled to any director's emolument.

INDEPENDENT NON-EXECUTIVE DIRECTORS

CAO LEI (曹雷), aged 63, was appointed as an independent non-executive Director, the chairman of the remuneration committee and the corporate governance committee of the Board, and a member of each of the audit committee and the nomination committee of the Board on 22 February 2021. Mr. Cao graduated from Huazhong University of Science and Technology and had worked at Zhongnan University of Economics and Law in Wuhan for many years. He joined Shenzhen Stock Exchange in early 1990s and served as the editorial director of the Securities Market Herald and is the principal founder and principal of the Securities Times. He was the general manager, executive director and independent director of many private enterprises and state-owned enterprises, and has more than 20 years of experience in enterprise operation and management, and is particularly familiar with and good at corporate capital operation, domestic and overseas listing business, and investment and financing business.

LETTER FROM THE BOARD

Pursuant to the letter of appointment made between Mr. Cao and the Company, Mr. Cao has been appointed as an independent non-executive Director for a term of three years with effect from 22 February 2021, unless terminated by no less than 15 days' notice in writing served by Mr. Cao on the Company or at any time by service of notice in writing served by the Company on Mr. Cao. Mr. Cao is subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Pursuant to his letter of appointment, Mr. Cao will not be entitled to any director's emolument until the grant of the authority to the Directors to determine the directors' emolument having been approved by the Shareholders at the AGM, which will be determined with reference to his background, experience, duties and responsibilities with the Group and the prevailing market conditions.

The nomination committee of the Board has recommended the re-election of Mr. Cao to the Board, after reviewing the accomplishment, experience, working profile and other factors (including but not limited to gender, age, professional experience, cultural and educational background as set out in the board diversity policy of the Company) of Mr. Cao in accordance with the nomination policy and the board diversity policy of the Company. The nomination committee of the Board has also assessed the independence of Mr. Cao including reviewing his written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. Taking into account that his professional knowledge and experience in enterprise operation and management which can bring further contribution to the Board and its diversity, the Board is satisfied that Mr. Cao has the required character, integrity, perspectives, skills and experience to continuously fulfill his role as an independent non-executive Director effectively. The Board believes that the re-election of Mr. Cao as an independent non-executive Director would be in the best interests of the Company and the Shareholders as a whole.

NG WAI TSAN (吳為贊), aged 73, was appointed as an independent non-executive Director, a member of each of the audit committee, the remuneration committee, the nomination committee and the corporate governance committee of the Board on 22 February 2021. Mr. Ng is an entrepreneur with many years of experience in investment and business development. He has invested in Hong Kong, Mainland China, Southeast Asia and other places. His businesses include film and television investment and distribution, real estate development, transportation and logistics and catering chain, etc.

LETTER FROM THE BOARD

Pursuant to the letter of appointment made between Mr. Ng and the Company, Mr. Ng has been appointed as an independent non-executive Director for a term of three years with effect from 22 February 2021, unless terminated by no less than 15 days' notice in writing served by Mr. Ng on the Company or at any time by service of notice in writing served by the Company on Mr. Ng. Mr. Ng is subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Pursuant to his letter of appointment, Mr. Ng is not entitled to any director's emolument until the grant of the authority to the Directors to determine the directors' emolument having been approved by the Shareholders at the AGM, which will be determined with reference to his background, experience, duties and responsibilities with the Group and the prevailing market conditions.

The nomination committee of the Board has recommended the re-election of Mr. Ng to the Board, after reviewing the accomplishment, experience, working profile and other factors (including but not limited to gender, age, professional experience, cultural and educational background as set out in the board diversity policy of the Company) of Mr. Ng in accordance with the nomination policy and the board diversity policy of the Company. The nomination committee of the Board has also assessed the independence of Mr. Ng including reviewing his written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. Taking into account that his professional knowledge and experience in investment and business development which can bring further contribution to the Board and its diversity, the Board is satisfied that Mr. Ng has the required character, integrity, perspectives, skills and experience to continuously fulfill his role as an independent non-executive Director effectively. The Board believes that the re-election of Mr. Ng as an independent non-executive Director would be in the best interests of the Company and the Shareholders as a whole.

CHEN YONGSHENG (陳永生), aged 41, was appointed as an independent non-executive Director, the chairman of the audit Committee of the Board and a member of each of the remuneration committee and the corporate governance committee of the Board on 22 February 2021. Mr. Chen graduated from Nanyang Technological University, the Republic of Singapore, in 2004, with a bachelor degree of engineering (electrical & electronic engineering) and from the Hong Kong University of Science and Technology, Hong Kong, in 2010, with a master degree in business administration.

Mr. Chen passed the Fund Management Practitioner's Qualification Examination (基金從業人員資格考試) of Asset Management Association of China (中國證券投資基金業協會) in 2017. He was a licensed representative of China Tonghai Capital Limited for type 6 (advising on corporate finance) regulated activities under the SFO from August 2008 to July 2010 and December 2013 to March 2016.

LETTER FROM THE BOARD

Mr. Chen has over 15 years experience in domestic and overseas capital market, investment and financial and corporate management. Mr. Chen has held management positions in many well-know domestic and overseas financial institutions such as Citicorp Investment Bank (S) Ltd., a company principally engaged in assets management and investment banking and a subsidiary of CITIC International Assets Management Limited, a company principally engaged in investment and assets management.

Mr. Chen was an executive director of Long Well International Holdings Limited, a company whose shares are listed on Main Board of the Stock Exchange (Stock Code: 850), from December 2018 to December 2019 and the chief executive officer of the same from January 2019 to May 2020.

Mr. Chen is also actively involved in social affairs. He is a member of the Global Alumni Committee and chairman of the Hong Kong Alumni Association of Nanyang Technological University in Singapore, vice chairman of Alumni Association for Mainland Students of The Hong Kong University of Science and Technology. He was awarded the Nanyang Outstanding Young Alumni Award (南洋杰出青年校友獎) by Nanyang Technological University.

Pursuant to the letter of appointment made between Mr. Chen and the Company, Mr. Chen has been appointed as an independent non-executive Director for a term of three years with effect from 22 February 2021, unless terminated by no less than 15 days' notice in writing served by Mr. Chen on the Company or at any time by service of notice in writing served by the Company on Mr. Chen. Mr. Chen is subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Pursuant to his letter of appointment, Mr. Chen is not entitled to any director's emolument until the grant of the authority to the Directors to determine the directors' emolument having been approved by the Shareholders at the AGM, which will be determined with reference to his background, experience, duties and responsibilities with the Group and the prevailing market conditions.

LETTER FROM THE BOARD

The nomination committee of the Board has recommended the re-election of Mr. Chen to the Board, after reviewing the accomplishment, experience, working profile and other factors (including but not limited to gender, age, professional experience, cultural and educational background as set out in the board diversity policy of the Company) of Mr. Chen in accordance with the nomination policy and the board diversity policy of the Company. The nomination committee of the Board has also assessed the independence of Mr. Chen including reviewing his written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. Taking into account that his professional knowledge and experience in domestic and overseas capital market, investment and financial and corporate management which can bring further contribution to the Board and its diversity, the Board is satisfied that Mr. Chen has the required character, integrity, perspectives, skills and experience to continuously fulfill his role as an independent non-executive Director effectively. The Board believes that the re-election of Mr. Chen as an independent non-executive Director would be in the best interests of the Company and the Shareholders as a whole.

Save as disclosed hereof, as at the Latest Practicable Date, and to the best knowledge and belief of the Board:

- (i) each of Mr. Hu, Mr. Wu, Prof. Xiao, Mr. Yang, Mr. Cao, Mr. Ng and Mr. Chen did not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company (having the meanings ascribed to them in the Listing Rules);
- (ii) each of Mr. Hu, Mr. Wu, Prof. Xiao, Mr. Yang, Mr. Cao, Mr. Ng and Mr. Chen had no other interests in the Shares within the meaning of Part XV of the SFO;
- (iii) each of Mr. Hu, Mr. Wu, Prof. Xiao, Mr. Yang, Mr. Cao, Mr. Ng and Mr. Chen did not hold any other major appointments and qualifications or directorships in other listed company in the last three years and did not hold other positions with the Company or other members of the Group;
- (iv) there was no other information required to be disclosed pursuant to any of the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules; and
- (v) the Company was not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Mr. Hu, Mr. Wu, Prof. Xiao, Mr. Yang, Mr. Cao, Mr. Ng and Mr. Chen.

LETTER FROM THE BOARD

4. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for registration of transfers of Shares from Friday, 25 June 2021 to Wednesday, 30 June 2021 (both days inclusive), during which period no transfer of Shares will be registered. In order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 24 June 2021.

5. THE AGM, PROXY ARRANGEMENT AND DEMAND FOR POLL

A notice convening the AGM to be held on Wednesday, 30 June 2021, at 3:00 p.m. at Luxembourg Hall, 6th Floor, Jinyun Hotel, No. 668 Jinfu Road, Chengdu City, the PRC is set out on pages 19 to 24 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon by 3:00 p.m. on Monday, 28 June 2021 or not less than 48 hours before the time appointed for the adjourned AGM to the office of the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

Pursuant to rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted by a show of hands. Accordingly, each of the resolutions put to vote at the AGM will be taken by way of poll.

The Directors are not aware of any Shareholders who are required to abstain from voting in the AGM. An announcement on the poll results will be published by the Company after the AGM in the manner prescribed under rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

6. RESPONSIBILITY STATEMENT

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

7. RECOMMENDATION

As each of Mr. Wu and Mr. Hu has not attended meetings of the Board and did not respond to the Company for a few months, the Board does not recommend the Shareholders to vote in favour of the resolutions for the re-election of Mr. Wu and Mr. Hu as Directors to be proposed at the AGM.

The Board considers that the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of the retiring Directors (other than Mr. Wu and Mr. Hu) are in the interests of the Company and the Shareholders as a whole and, accordingly, the Board recommends all the Shareholders to vote in favour of all the resolutions (other than the resolutions for the re-election of Mr. Wu and Mr. Hu as Directors) to be proposed at the AGM in respect thereof.

8. GENERAL INFORMATION

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

Yours faithfully
On behalf of the Board
Pa Shun International Holdings Limited
Professor Xiao Kai
Chairman and Executive Director

This Appendix serves as an explanatory statement given to all the Shareholders, as required by the Listing Rules, to provide all the requisite information in relation to the Repurchase Mandate.

1. LISTING RULES RELATING TO REPURCHASES OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the more important of which are summarised below:

(a) Shareholders' approval

All proposed purchase of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by its shareholders by an ordinary resolution, either by way of a general mandate or by a specific approval in relation to a specific transaction.

(b) Share capital

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the number of issued Shares as at the date of the passing of the proposed resolution granting the Repurchase Mandate.

As at the Latest Practicable Date, the Company had 1,474,992,908 Shares in issue. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the AGM, the exercise of the Repurchase Mandate in full would result in up to 147,499,290 Shares being repurchased by the Company.

(c) Reason for repurchase

The Directors believe that it is in the interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase securities of the Company on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or its earnings per Share of the Company and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

(d) Fund of repurchase

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its constitutive documents and the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

As compared with the financial position of the Company as at 31 December 2020 (being the date of its latest audited accounts), the Directors consider that there would not be a material adverse impact on the working capital or gearing position of the Company if the Repurchase Mandate was to be exercised in full during the proposed repurchase period. In any event, 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 or the gearing level (as compared with the position disclosed in its most recent published audited accounts) which in the opinion of the Directors are from time to time appropriate for the Company.

(e) Connected parties

None of the Directors nor, to the best knowledge of the Directors having made all reasonable enquiries, any of their respective close associates has any present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders. As at the Latest Practicable Date, no core connected person had notified the Company that he had a present intention to sell Shares to the Company, or had undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

(f) Undertaking by Directors

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

(g) Takeovers Code

If as a result of a securities repurchase, a Shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Takeovers Code.

As at the Latest Practicable Date, Mr. Chen Yenfei, together with his associate, were beneficially interested in 766,600,000 Shares, representing approximately 51.97% of the issued Shares. In the event that the Directors exercise the Repurchase Mandate in full in accordance with the terms of the ordinary resolution to be proposed at the AGM, the interests of Mr. Chen Yenfei, together with his associate, in the Company would be increased to approximately 57.75% of the issued Shares, which will not give rise to an obligation to make a mandatory offer under Rule 26 and 32 of the Takeovers Code.

APPENDIX EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The Directors are not aware of any consequences which may arise under Rule 26 of the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

The Directors have no present intention to exercise the power to repurchase the Shares pursuant to the Repurchase Mandate to such an extent as to result in mandatory offer obligations.

(h) Public float

The Directors confirm that the Repurchase Mandate will not be exercised to an extent where the amount of Shares held by the public will be reduced below 25%.

2. SHARES REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, no Shares have been repurchased by the Company (whether on the Stock Exchange or otherwise).

3. SHARE PRICES

During each of the twelve months up to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
April	0.082	0.061
May	0.081	0.056
June	0.085	0.055
July	0.105	0.063
August	0.138	0.080
September	0.121	0.077
October	0.098	0.077
November	0.087	0.072
December	0.089	0.058
2021		
January	0.080	0.041
February	0.100	0.045
March	0.102	0.080
April	0.094	0.070
May (up to the Latest Practicable Date)	0.084	0.073

NOTICE OF ANNUAL GENERAL MEETING



百信集团
PASHUN GROUP

Pa Shun International Holdings Limited
百信國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 574)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (“**Meeting**”) of Pa Shun International Holdings Limited (“**Company**”) will be held on Wednesday, 30 June 2021, at 3:00 p.m. at Luxembourg Hall, 6th Floor, Jinyun Hotel, No. 668 Jinfu Road, Chengdu City, the PRC for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company, the reports of the directors (“**Directors**” and each a “**Director**”) and the independent auditor of the Company for the year ended 31 December 2020.
2.
 - (A) To re-elect Mr. Hu Haisong as a Director.
 - (B) To re-elect Mr. Wu Guohua as a Director.
 - (C) To re-elect Professor Xiao Kai as a Director.
 - (D) To re-elect Mr. Yang Bo as a Director.
 - (E) To re-elect Mr. Cao Lei as a Director.
 - (F) To re-elect Mr. Ng Wai Tsan as a Director.
 - (G) To re-elect Mr. Chen Yongsheng as a Director.
3. To authorise the board of Directors to fix the remuneration of the Directors.
4. To re-appoint CCTH CPA Limited as auditor of the Company and to authorise the Directors to fix the remuneration of the auditor of the Company.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

5. As special business to consider and, if thought fit, pass with or without modifications, each of the following resolutions as an ordinary resolution of the Company:

ORDINARY RESOLUTIONS

(A) **“THAT**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (“Shares”) and to make or grant offers, agreements or options, including warrants to subscribe for Shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options, including warrants to subscribe for Shares, which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers, employees of the Company and/or any of its subsidiaries or other eligible participants of shares or rights to acquire shares in the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of the cash payment for a dividend on Shares in accordance with the articles of association of the Company, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the number of issued Shares as at the date of the passing of this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

(bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of issued Shares as at the date of the passing of this resolution),

and the said approval shall be limited accordingly;

- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
- (iii) the date of which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of the Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China (“**Hong Kong**”).”

NOTICE OF ANNUAL GENERAL MEETING

(B) “**THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the applicable laws in the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the number of the Shares which may be purchased or repurchased by the Company or agreed to be purchased or repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the number of issued Shares as at the date of the passing of this resolution and the said approval shall be limited accordingly;
- (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (b) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and

NOTICE OF ANNUAL GENERAL MEETING

(iii) the date which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

(C) “**THAT** conditional upon resolutions 5(A) and 5(B) set out above being passed, the number of Shares which is purchased or repurchased by the Company under the authority granted to the Directors as mentioned in resolution 5(B) above shall be added to the number of Shares that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to the resolution 5(A) above, provided that such Shares shall not exceed 10 per cent. of the number of issued Shares as at the date of the passing of this resolution.”

On behalf of the Board
Pa Shun International Holdings Limited
Professor Xiao Kai
Chairman and Executive Director

Hong Kong, 31 May 2021

Notes:

1. Any shareholder of the Company (“**Shareholder**”) entitled to attend and vote at the Meeting is entitled to appoint one or, if he is holder of more than one share, more proxies to attend and vote instead of him. A proxy need not be a Shareholder. A proxy so appointed shall be entitled to exercise the same powers on behalf of such Shareholder. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. The register of members of the Company will be closed for registration of transfers of Shares from Friday, 25 June 2021 to Wednesday, 30 June 2021 (both days inclusive), during which period no transfer of Shares will be registered. In order to determine the identity of the Shareholders who are entitled to attend and vote at the Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 24 June 2021.
3. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited at the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong by 3:00 p.m. on Monday, 28 June 2021 or not less than 48 hours before the time appointed for holding the adjourned Meeting.

NOTICE OF ANNUAL GENERAL MEETING

4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorised.
5. Delivery of the form of proxy will not preclude a Shareholder from attending and voting in person at the Meeting convened and in such event, the form of proxy shall be deemed to be revoked.
6. Where there are joint holders of any Share, any one of such persons may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting the vote of the senior holder who tenders a vote, whether personally or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of such Share.
7. As required by the Rules Governing the Listing of Securities on the Stock Exchange, all the above resolutions will be decided by way of poll.
8. References to time and dates in this notice are to Hong Kong time and dates.