
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular (the “Circular”) or as to the course of action you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser immediately.

If you have sold or transferred all your ordinary shares in China New Town Development Company Limited (the “Company”), you should immediately forward this Circular and the attached form of proxy to the purchaser or transferee or to the licensed securities dealer, registered institution in securities, bank or other agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

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CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中國新城鎮發展有限公司

(Incorporated as a business company limited by shares under the laws of the British Virgin Islands)

(Company Registration Number: 1003373)

(Stock Code: 1278)

PROPOSALS FOR

- (1) RE-ELECTION OF RETIRING DIRECTORS;**
- (2) GRANT OF THE SHARE BUY-BACK MANDATE;**
- (3) GRANT OF THE SHARE ISSUE MANDATE; AND**
- (4) EXTENSION OF THE SHARE ISSUE MANDATE;**

AND

NOTICE OF ANNUAL GENERAL MEETING

Capitalised terms used in the lower portion of this cover and the first page of this Circular shall have the same respective meanings as those defined in the section headed “Definitions” of this Circular.

The notice convening the 2022 AGM to be held at Unit 6, No. 18, Qian Street, Dongcheng District, Beijing, the PRC on Friday, 24 June 2022 at 2:30 p.m. is set out on pages 22 to 27 of this Circular. Shareholders who are unable to attend the 2022 AGM in person and wish to appoint a proxy/proxies to attend and vote on their behalf are requested to complete and return the form of proxy accompanying the Circular in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the 2022 AGM or its adjournment. Completion and return of the form of proxy shall not preclude Shareholders from subsequently attending in person and voting at the 2022 AGM or its adjournment should you so wish. If you attend and vote at the 2022 AGM, the authority of your proxy will be revoked.

In view of the ongoing Novel Coronavirus (COVID-19) epidemic, the Company strongly recommends Shareholders to exercise their voting rights by appointing the chairman of the 2022 AGM as their proxy to vote on the relevant resolutions at the 2022 AGM as an alternative to attending the 2022 AGM in person.

14 April 2022

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PRECAUTIONARY MEASURES FOR THE 2022 AGM

The Company will implement the following measures at the 2022 AGM, including:

- compulsory body temperature checks
- refusal of entry of those with a body temperature of over 37.3 degrees Celsius
- wearing of face masks throughout the 2022 AGM
- no distribution of corporate gifts and refreshments

Any person who does not comply with the precautionary measures will be denied entry into the 2022 AGM venue.

EXPECTED TIMETABLE

Dispatch of this Circular and 2022 AGM Notice Thursday, 14 April 2022

Last time for lodging transfer forms of Shares to
qualify for entitlements to attend and vote at the
2022 AGM 4:30 p.m. on Monday,
20 June 2022

Closure of Register of Members for the purpose of
determining the voting rights for the 2022 AGM
(both days inclusive) from Tuesday,
21 June 2022 to
Friday, 24 June 2022

Latest time for lodging forms of proxy for the 2022
AGM (in any event not later than 48 hours before
the time appointed for holding the 2022 AGM or its
adjournment 2:30 p.m. on Wednesday,
22 June 2022

Date and time of the 2022 AGM 2:30 p.m. on Friday,
24 June 2022

DEFINITIONS

For the purposes of this Circular, the following definitions apply throughout where the context admits unless otherwise stated:

| | |
|----------------------|---|
| “2021 AGM” | the annual general meeting of the Company held on 25 June 2021 |
| “2022 AGM” | the annual general meeting of the Company to be held on Friday, 24 June 2022 at 2:30 p.m. at Unit 6, No. 18, Qinian Street, Dongcheng District, Beijing, the PRC, notice of which is set out on pages 22 to 27 of this Circular |
| “2022 AGM Notice” | the notice for convening the 2022 AGM set out in pages 22 to 27 of this Circular |
| “AGM” | the annual general meeting of the Company |
| “Articles” | the articles of association of the Company as amended, supplemented or otherwise modified from time to time |
| “Audit Committee” | the audit committee of the Board |
| “Board” | the board of Directors |
| “BVI” | the British Virgin Islands |
| “BVI Act” | the BVI Business Companies Act, 2004 (including the regulations made thereunder) as amended, supplemented or otherwise modified from time to time |
| “BVS” | book value per Share |
| “CDB” | China Development Bank Corporation, a state-owned strategic financial institution incorporated by the State Council of the PRC |
| “CDBC” | China Development Bank Capital Corporation Limited, a wholly-owned subsidiary of CDB |
| “CDBIH” | China Development Bank International Holdings Limited, a wholly-owned subsidiary of CDBC |
| “Circular” | this circular dated 14 April 2022 |
| “close associate(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Company” | China New Town Development Company Limited, a company incorporated in the BVI with limited liability, the issued shares of which are listed and traded on the Stock Exchange (Stock Code: 1278) |

DEFINITIONS

| | |
|------------------------------|---|
| “controlling shareholder(s)” | has the meaning ascribed thereto under the Listing Rules |
| “core connected person(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Directors” | the directors of the Company for the time being |
| “EPS” | earnings per share |
| “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 |
| “INED(s)” | the independent non-executive Director(s) for the time being |
| “Latest Practicable Date” | the latest practicable date prior to the printing of this Circular for the purpose of ascertaining certain information contained in this Circular, being 7 April 2022 |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time |
| “Nomination Committee” | the nomination committee of the Board |
| “PRC” | the People’s Republic of China which, for the purpose of this Circular, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan |
| “Register of Members” | the register of members of the Company maintained by the Registrar in Hong Kong |
| “Registrar” | the branch share registrar of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong |
| “Remuneration Committee” | the remuneration committee of the Board |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “ROE” | return on equity |

DEFINITIONS

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|--------------------------|---|
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time |
| “Share Buy-back Mandate” | the general and unconditional mandate to be granted by the Shareholders at the 2022 AGM to authorise the Directors to purchase, redeem or otherwise acquire Shares |
| “Share Issue Mandate” | the general and unconditional mandate to be granted by the Shareholders at the 2022 AGM to authorise the Directors to allot, issue and deal with additional Shares |
| “Share(s)” | ordinary share(s) of no par value of the Company |
| “Shareholder(s)” | the duly registered holder(s) of the Share(s) from time to time |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary(ies)” | has the meaning ascribed thereto under the Listing Rules |
| “Takeovers Code” | the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs as amended, supplemented or otherwise modified from time to time and administrated by the Securities and Futures Commission of Hong Kong |
| “Year” | the year ended 31 December 2021 |
| “%” | per cent or percentage |

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and the neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the SFO, the Listing Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the SFO, the Listing Rules or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Circular shall be a reference to Hong Kong time unless otherwise stated.

Any discrepancy with the tables in this Circular between the listed amounts and the totals thereof is due to rounding.

This document is in English and Chinese versions. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.



CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中國新城鎮發展有限公司

(Incorporated as a business company limited by shares under the laws of the British Virgin Islands)

(Company Registration Number: 1003373)

(Stock Code: 1278)

Executive Directors:

Mr. Liu Heqiang (*Chief Executive Officer*)

Ms. Yang Meiyu

Mr. Hu Zhiwei (*Vice President*)

Mr. Shi Janson Bing

Registered Office:

2/F, Palm Grove House

P.O. Box 3340

Road Town, Tortola

British Virgin Islands

Non-executive Directors:

Mr. Liu Yuhai (*Chairman*)

Mr. Li Yao Min (*Vice Chairman*)

Mr. Wang Hongxu

Mr. Wang Jiangang

*Headquarters and principal place of
business in Hong Kong:*

8203B-04A

International Commerce Centre

1 Austin Road West

Kowloon

Hong Kong

INEDs:

Mr. Henry Tan Song Kok (*Lead INED*)

Mr. Kong Siu Chee

Mr. Zhang Hao

Mr. Lo Wai Hung

Hong Kong, 14 April 2022

To the Shareholders

Dear Sir/Madam,

PROPOSALS FOR

(1) RE-ELECTION OF RETIRING DIRECTORS;

(2) GRANT OF THE SHARE BUY-BACK MANDATE;

(3) GRANT OF THE SHARE ISSUE MANDATE; AND

(4) EXTENSION OF THE SHARE ISSUE MANDATE;

AND

NOTICE OF ANNUAL GENERAL MEETING

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this Circular is to provide you with the 2022 AGM Notice and further information on the resolutions to be proposed at the 2022 AGM to approve (i) the re-election of the retiring Directors; (ii) the grant of the Share Buy-back Mandate; (iii) the grant of the Share Issue Mandate; and (iv) extension of the Share Issue Mandate.

2. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, there were four executive Directors, namely Mr. Liu Heqiang, Ms. Yang Meiyu (“**Ms. Yang**”), Mr. Hu Zhiwei (“**Mr. Hu**”) and Mr. Shi Janson Bing (“**Mr. Shi**”); four non-executive Directors, namely Mr. Liu Yuhai (“**Mr. Liu**”), Mr. Li Yao Min (“**Mr. Li**”), Mr. Wang Hongxu (“**Mr. Wang**”) and Mr. Wang Jiangang; and four INEDs, namely Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. Lo Wai Hung (“**Mr. Lo**”).

Pursuant to Articles 86(1) and 86(2) of the Articles, Ms. Yang, Mr. Shi and Mr. Li will retire from office by rotation and being eligible, have offered themselves for re-election at the 2022 AGM.

Pursuant to Article 85(7) of the Articles, Mr. Hu, Mr. Liu and Mr. Wang who were appointed as Directors with effect from 18 October 2021 and Mr. Lo who was appointed as a Director with effect from 30 December 2021 shall retire from office and being eligible, have offered themselves for re-election at the AGM.

The Nomination Committee has assessed and evaluated the performance of each of the retiring Directors during the Year based on the nomination policy of the Company, which was disclosed in the annual report of the Company and found their performance satisfactory. The Nomination Committee also considered that the experiences, skills and other perspectives of the retiring Directors as at out in Appendix I to this Circular can bring further contributions to the Board and its diversity. Therefore, upon the nomination by the Nomination Committee, the Board has recommended that the retiring Directors, namely Ms. Yang, Mr. Shi, Mr. Li, Mr. Hu, Mr. Liu, Mr. Wang and Mr. Lo stand for re-election as Directors at the 2022 AGM. As a good corporate governance practice, each of Ms. Yang, Mr. Shi, Mr. Li, Mr. Hu, Mr. Liu, Mr. Wang and Mr. Lo abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders. The Board believes that the continuous appointment of the retiring Directors contributes to the stability and diversity of the Board.

The particulars required to be disclosed under the Listing Rules in relation to the retiring Directors proposed for re-election are set out in Appendix I to this Circular.

3. GRANT OF THE SHARE BUY-BACK MANDATE

The Company’s existing mandate to buy back Shares was approved by its then Shareholders at the 2021 AGM. Unless otherwise renewed, the existing mandate to buy back Shares will lapse at the conclusion of the 2022 AGM.

LETTER FROM THE BOARD

At the 2022 AGM, an ordinary resolution will be proposed that the Directors be given the Share Buy-back Mandate. Under the Share Buy-back Mandate, the maximum number of Shares that the Company may buy back shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing of the ordinary resolution in relation thereof. The Company's authority is restricted to buy back the Shares on the market in accordance with the Listing Rules. The mandate allows the Company to buy back Shares only during the period ending on the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required by the BVI Act, applicable laws or the Company's memorandum and Articles to be held; and (iii) the date on which the authority set out in the resolution is revoked or varied by way of an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed ordinary resolution for the grant of the Share Buy-back Mandate at the 2022 AGM in accordance with the Listing Rules is set out in Appendix II of this Circular.

4. GRANT AND EXTENSION OF THE SHARE ISSUE MANDATE

The Company's existing mandate to issue Shares was approved by its then Shareholders at the 2021 AGM. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the 2022 AGM.

At the 2022 AGM, an ordinary resolution will also be proposed that the Directors be given the Share Issue Mandate in order to ensure flexibility and discretion to the Directors to issue up to 1,945,249,283 new Shares, being the Shares not exceeding in aggregate 20% of the total number of Shares in issue as at the date of the passing of the relevant resolution (assuming that no further Shares are issued and allotted or bought back and cancelled by the Company after the Latest Practicable Date and prior to the 2022 AGM).

In addition, an ordinary resolution will also be proposed to extend the Share Issue Mandate by adding to it the number of such Shares to be bought back under the Share Buy-back Mandate.

5. 2022 AGM AND PROXY

- 5.1 A notice convening the 2022 AGM is set out in pages 22 to 27 of this Circular. At the 2022 AGM, resolutions will be proposed to approve, among other things, the re-election of the retiring Directors, the grant of the Share Buy-back Mandate, the grant of the Share Issue Mandate and the extension of the Share Issue Mandate.
- 5.2 Shareholders who are unable to attend the 2022 AGM in person and wish to appoint a proxy/proxies to attend and vote on their behalf are requested to complete, sign and return the attached form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 48 hours before the time appointed for the holding of the 2022 AGM or its adjournment. The completion

LETTER FROM THE BOARD

and return of a form of proxy by a Shareholder does not preclude him/her from attending in person and voting at the 2022 AGM in place of his/her proxy/proxies if he/she finds that he/she is able to do so. In the event of attendance by such Shareholder, the form of proxy of such Shareholder shall be deemed to be revoked. No further action is required on the part of the Shareholders.

In view of the ongoing Novel Coronavirus (COVID-19) epidemic, the Company strongly recommends Shareholders to exercise their voting rights by appointing the chairman of the 2022 AGM as their proxy to vote on the relevant resolutions at the 2022 AGM as an alternative to attending the 2022 AGM in person.

6. CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Tuesday, 21 June 2022 to Friday, 24 June 2022, both days inclusive, during which period no transfer of Shares will be effected in order to determine the entitlement of the Shareholders to attend and vote at the 2022 AGM. All share transfers accompanied by the relevant share certificates must be lodged with the Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 20 June 2022.

7. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the 2022 AGM will demand for a poll for all resolutions put forward at the 2022 AGM and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

8. DIRECTORS' RECOMMENDATIONS

- 8.1 The Directors are pleased to recommend the re-election of the retiring Directors at the 2022 AGM, details of whom are set out in Appendix I to this Circular.
- 8.2 The Directors are of the opinion that the re-election of the retiring Directors, the grant of the Share Buy-back Mandate, the grant of the Share Issue Mandate and the extension of the Share Issue Mandate are in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the resolutions relating to the re-election of the retiring Directors, the grant of the Share Buy-back Mandate, the grant of the Share Issue Mandate and the extension of the Share Issue Mandate to be proposed at the 2022 AGM.

LETTER FROM THE BOARD

9. DIRECTORS' 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.

Yours faithfully
For and on behalf of the Board
China New Town Development Company Limited
Liu Heqiang
Chief Executive Officer and Executive Director

PARTICULARS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED

The following are the particulars of the retiring Directors proposed to be re-elected at the 2022 AGM in accordance with the Articles.

Executive Directors**Ms. Yang Meiyu (楊美玉)**

Ms. Yang Meiyu, aged 39, was appointed as an Executive Director on 28 March 2014. Ms. Yang graduated from Peking University with a master's degree in finance. Ms. Yang joined CDBC in December 2009, where she was responsible for urban development related investment and served as the manager, senior manager and assistant to general manager of the Direct Investment Division III of CDBC, a substantial shareholder of the Company, respectively, and the vice general manager of the Management Department of a subsidiary from April 2015 to August 2016. Prior to joining CDBC, Ms. Yang worked as an investment manager at China Reits Investment, where she was involved in various fund raising and land development projects. Ms. Yang is a vice president of the Company and is responsible for equity investment in new economy industry. Ms. Yang is also the directors of several subsidiaries of the Company, such as Weblink International Limited, Meeko Investment Limited and Protex Investment Limited.

Save as disclosed above, Ms. Yang did not (i) hold any directorships in listed public companies in Hong Kong and overseas during the past three years; (ii) hold any other position with the Company and other members of the Group or other major appointments and professional qualifications; and (iii) have any relationship with any Directors, senior management or substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, she did not have any interest in the Shares within the meaning of Part XV of the SFO. Ms. Yang has entered into a service contract with the Company with a term of service of three years commencing on 28 March 2020. Nevertheless, her appointment will be subject to the provisions of retirement and re-election at the AGMs pursuant to the Articles or any other applicable laws. Ms. Yang's service contract will be terminated by either party by giving not less than six months' notice to the other or in accordance with other terms of the service contract. She is currently entitled to a annual remuneration of RMB2,080,000 payable by the Company, which, however, may be reviewed from time to time at the discretion of the Board by reference to her experience and expertise, responsibilities and prevailing market conditions. The aggregate emolument of Ms. Yang for the Year amounted to RMB1,612,000.

Save as disclosed above, there are no other matters concerning Ms. Yang's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Shi Janson Bing (施冰)

Mr. Shi Janson Bing, aged 38, graduated from the University of Southern California and obtained a bachelor's degree in accounting in May 2007, joined the Group in December 2007 and was an Executive Director from 12 December 2007 to 28 March 2014. Mr. Shi was appointed as an Executive Director on 12 August 2016 and is responsible for strategic cooperation of the Group. He was an executive director of SRE Group Limited ("SRE", Stock Code: 1207) from 17 July 2015 to 12 July 2018. Mr. Shi is the son of Mr. Shi Jian, the de facto owner of SRE Investment Holding Limited ("SREI"). SREI is a substantial shareholder of the Company.

Save as disclosed above, Mr. Shi did not (i) hold any directorships in listed public companies in Hong Kong and overseas during the past three years; (ii) hold any other position with the Company and other members of the Group or other major appointments and professional qualifications; and (iii) have any relationship with any Directors, senior management or substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, he did not have any interest in the Shares within the meaning of Part XV of the SFO. Mr. Shi has entered into a service contract with the Company with a term of service of one year commencing on 12 August 2021. Nevertheless, his appointment will be subject to the provisions of retirement and re-election at the AGMs pursuant to the Articles or any other applicable laws. Mr. Shi's service contract will be terminated by either party by giving not less than one month's notice to the other or in accordance with other terms of the service contract. He is entitled to a director's fee of HK\$800,000 payable by the Company, which, however, may be reviewed from time to time at the discretion of the Board by reference to his experience and expertise, responsibilities and prevailing market conditions. The aggregate emolument of Mr. Shi for the Year amounted to RMB696,000.

Save as disclosed above, there are no other matters concerning Mr. Shi's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Hu Zhiwei (胡志偉)

Mr. Hu Zhiwei, aged 50, was appointed as an Executive Director on 18 October 2021 and a vice president on 30 December 2021. Mr. Hu studied in the economic management department of Jiangnan University from 1991 to 1994 and studied business administration at the School of Economics and Management in Northwest University from 2003 to 2006 and obtained a master's degree in business administration in 2006. Mr. Hu joined Xitong International Holdings (HK) Limited (“**Xitong International**”) as the general manager from October 2021. Xitong International is a substantial shareholder of the Company. Before joining Xitong International, Mr. Hu served as the manager of the Investment Department and Asset Management Department of Guolian Securities Co., Ltd. from July 1994 to September 2003; the general manager and Chairman of Wuxi Guolian Equity Exchange Co., Ltd. (無錫市國聯產權交易所有限公司) from September 2004 to February 2010; the Party Branch Secretary from February 2010 to June 2018; Chairman of Wuxi Equity Registration and Trusteeship Center Co., Ltd. (無錫市股權登記託管中心有限公司) from September 2007 to June 2018; the secretary to the board of Wuxi Guolian Development (Group) Co., Ltd. from August 2008 to December 2013; the chairman of Wuxi Public Resources Trading Service Center Co., Ltd. (無錫市公共資源交易服務中心有限公司) from January 2012 to June 2018; the general manager, the chairman and Party Branch Secretary of Wuxi Financial Asset Trading Center Co., Ltd. (無錫金融資產交易中心有限公司) from January 2014 to January 2021; and the chairman and the Party Branch Secretary of Wuxi Smart City Construction and Development Co., Ltd. from January to October 2021. Mr. Hu has extensive experience in investment management.

Mr. Hu did not hold any directorships in listed public companies in Hong Kong and overseas during the past three years. Save as disclosed, Mr. Hu does not hold any other position with the Company and other members of the Group or other major appointments and professional qualifications nor does he have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Hu did not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Hu has entered into a service contract with the Company with a term of service of three years commencing on 18 October 2021. Mr. Hu's service contract will be terminated by either party by giving not less than one month notice to the other or in accordance with other terms of the service contract. Pursuant to the service contract, Mr. Hu is not entitled to the remuneration for the position of an executive Director. Nevertheless, his appointment will be subject to the provisions of retirement and re-election at the AGMs pursuant to the Articles or any other applicable laws. However, Mr. Hu is entitled to an annual salary of RMB1,482,687 for acting as a vice president, determined by the Board who was recommended by the Remuneration Committee to consider Mr. Hu's experience, expertise, responsibilities and current market conditions. The aggregate emolument of Mr. Hu for the Year amounted to RMB103,000.

Save as disclosed above, there are no other matters concerning Mr. Hu's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Non-executive Directors

Mr. Liu Yuhai (劉玉海)

Mr. Liu Yuhai, aged 57, was appointed as a Non-executive Director and the chairman of the Board (the “**Chairman**”) on 18 October 2021. He successively obtained a bachelor's degree and a master's degree in engineering machinery from Shanghai Jiaotong University in 1986 and in 1990. Mr. Liu has been serving as a Secretary of the Party Committee and Chairman of the Board of Directors of Wuxi Communications Industry Group Co., Ltd. (無錫市交通產業集團有限公司) (“**Wuxi Communications**”), the holding company of Xitong International since December 2015. Xitong International is a substantial shareholder of the Company. Mr. Liu worked as an assistant engineer at Nanjing Hoisting Machinery Plant (南京起重機械總廠) from July 1986 to September 1988; a staff member in the Port Research Office of Wuxi Port Affairs Office from July 1990 to July 1993; a deputy manager of Wuxi Port Engineering Company (無錫市港口工程公司) from July 1993 to May 1995; the deputy chief of the Engineering Section, Wuxi Transportation Bureau from May 1995 to December 1995; deputy general manager of Wuxi Top Absorber Company Limited (無錫拓普減震器有限公司) from December 1995 to December 2001; a member of the Party Committee and Deputy General Manager of Wuxi Transportation Asset Management Co., Ltd. from December 2001 to July 2003; and a member of the Party Committee and deputy general manager of Wuxi Communications from July 2003 to June 2005; a member of the Party Committee and general manager of Wuxi Communications from June 2005 to March 2007. He also served as the director of Wuxi Hongqi Boatyard Co., Ltd. from February 2004 to September 2006; the Party Secretary and Chairman of Wuxi Industry Assets Management Co., Ltd. (無錫產業資產經營有限公司) from March 2007 to March 2008; and the President and Deputy Secretary of the Party Committee of Wuxi Industry Development Group Co., Ltd. from March 2008 to December 2015. Mr. Liu has extensive work experience in industrial management and operation.

Mr. Liu did not hold any directorships in listed public companies in Hong Kong and overseas during the past three years. Save as disclosed, Mr. Liu does not hold any other position with the Company and other members of Group or other major appointments and professional qualifications nor does he have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Liu did not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Liu has entered into a letter of appointment with the Company for a term of service of three years commencing on 18 October 2021 unless otherwise terminated by either party by giving not less than one month notice to the other or in accordance with other terms of the letter of appointment. Pursuant to the letter of appointment, Mr. Liu is not entitled to a director's fee or any other remuneration. Nevertheless, his appointment will be subject to the retirement and re-election at the AGMs pursuant to the Articles or any other applicable laws.

Save as disclosed above, there are no other matters concerning Mr. Liu's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Li Yao Min (李耀民)

Mr. Li Yao Min, aged 71, was appointed as a Non-executive Director on 11 January 2007 and has been the executive vice chairman of the Board since 1 April 2007. Mr. Li was previously appointed as co-vice chairman of the Board (the "**Co-Vice Chairman**") on 1 December 2008 and has subsequently been re-designated as chief executive officer of the Company (the "**Chief Executive Officer**") and Co-Vice Chairman since 7 January 2010 and as Chief Executive Officer and co-chairman of the Board on 1 July 2011. Mr. Li was re-designated as a Non-executive Director and the vice chairman of the Board on 28 March 2014. From 1992 to 1993, he was attached to Shanghai Golden World Commercial Building Co., Ltd. as a general manager, responsible for the overall management and development of commercial property. He has over 20 years of experience in business management and the property development industry, including over 12 years' experience in new town development in the PRC. Mr. Li is also a founder of SRE (Stock Code: 1207), and was re-appointed as the co-chairman and executive director of SRE on 29 August 2013, and resigned on 5 February 2015. Mr. Li will be responsible for the duties in the absence of the Chairman and the execution of the Group's business strategies and plans.

Save as disclosed above, Mr. Li does not (i) hold any directorships in other listed public companies in Hong Kong and overseas during the past three years; (ii) hold any other position with the Company and other members of the Group or other major appointments and professional qualifications; and (iii) have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Li was interested in 8,352,672 Shares within the meaning of Part XV of the SFO. Pursuant to his service contract with the Company dated 11 January 2022, Mr. Li has been appointed as a Non-executive Director for a term of one year commencing on 11 January 2022 (subject to retirement by rotation and re-election in accordance with the Articles) unless otherwise terminated by either party by giving not less than one month's notice to the other or in accordance with other terms of the service contract. He is entitled to a remuneration of HK\$800,000 per annum. The aggregate

emolument of Mr. Li for the Year amounted to RMB663,000. Mr. Li's remuneration was determined by reference to the Company's performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters concerning Mr. Li's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Wang Hongxu (王紅旭)

Mr. Wang Hongxu, aged 49, was appointed as a Non-executive Director on 18 October 2021. Mr. Wang graduated in international credit and investment major from the Department of Finance of Capital University of Economics and Business in July 1995, and thereafter obtained a master's degree in economics, majoring in finance from the School of Finance of Renmin University of China in January 2014. He is currently the general manager of the Investment Department II of CDBC. Mr. Wang joined CDB in December 1998. CDB is the holding company of CDBC, a substantial shareholder of the Company. Before joining CDB, Mr. Wang served as a cadre of China Investment Bank from July 1995 to December 1998. From December 1998 to September 2009, he served successively as a cadre of the Fourth Division of the North China Credit Bureau of CDB, a deputy officer and section-level member of the Debt Management Division of the Asset Restructuring and Preservation Bureau, a section-level member of the Comprehensive Division of the North China Credit Bureau, a section-level member of No. 3 Audit Divisions of each of the No. 2 Audit Appraisal Bureau and No. 1 Audit Appraisal Bureau, deputy director of the Industrial Integration and Innovation Division of the Investment Business Bureau, a deputy director of the Industrial Integration and Innovation Division I of the Investment Business Bureau, and a deputy director of the Investment Division II of the Market and Investment Bureau. From December 2009 to December 2018, Mr. Wang successively served as a deputy director-level cadre of the risk management department, a deputy general manager of the risk management department, and a deputy general manager of Equity Division I of CDBC. He was responsible from presiding over the work of the Equity Division I from July to November 2011, and was later promoted to the general manager of the Equity Division I. From December 2018 to November 2020, Mr. Wang served as the general manager of the Equity Division II of CDBC. He has been the general manager of the Investment Division II since November 2020. Mr. Wang has extensive experience in investment management.

Mr. Wang did not hold any directorships in listed public companies in Hong Kong and overseas during the past three years. Save as disclosed, Mr. Wang does not hold any other position with the Company and other members of the Group or other major appointments and professional qualifications nor does he have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Wang did not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Wang has entered into a letter of appointment with the Company for a term of service of three years commencing on 18 October 2021 unless otherwise terminated by either party by giving not less than one month notice to the other or in accordance with other terms of the letter of appointment. Pursuant to the letter of appointment, Mr. Wang is not entitled to a director's fee or any other remuneration. Nevertheless, his appointment will be subject to the retirement and re-election at the AGMs pursuant to the Articles or any other applicable laws.

Save as disclosed above, there are no other matters concerning Mr. Wang's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

INED

Mr. Lo Wai Hung (盧偉雄)

Mr. Lo Wai Hung, aged 62, was appointed as an INED and the chairman and a member of the Nomination Committee and a member of each of the Audit Committee and Remuneration Committee on 30 December 2021. He obtained a bachelor's degree in Commerce from James Cook University of North Queensland, Australia in 1985. Mr. Lo is an associate member of Chartered Accountants in Australia and New Zealand and a fellow member of Hong Kong Institute of Certified Public Accountants. Mr. Lo has over 25 years of experience in auditing, finance and management.

Mr. Lo is an independent non-executive director of Talent Property Group Limited (Stock Code: 760), Shandong Weigao Group Medical Polymer Company Limited (Stock Code: 1066) and C Cheng Holdings Limited (Stock Code: 1486), Tibet Water Resources Ltd. (Stock Code: 1115), and is a non-executive director of SY Holdings Group Limited (formerly known as Sheng Ye Capital Limited (Stock Code: 6069) since 10 December 2021. Mr. Lo was an independent non-executive director of Lerthai Group Limited (formerly known as LT Commercial Real Estate Limited) (Stock Code: 112) during March 2017 to November 2018. All the aforementioned companies are listed on the Main Board of the Stock Exchange. Mr. Lo was also an independent director of China Merchant Property Development Co. Ltd.* since 2011 and the shares of which were ceased from listing on the Shenzhen Stock Exchange on 30 December 2015.

Save as disclosed above, Mr. Lo did not hold any directorships in listed public companies in Hong Kong and overseas during the past three years nor does he hold any other position with the Company and its subsidiaries or other major appointments and professional qualifications. Mr. Lo does not have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Lo did not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Lo has entered into a letter of appointment with the Company with a term of service of three years commencing on 30 December 2021 unless otherwise terminated by either party by giving not less than one month's notice to the other or in accordance with other terms of the letter of appointment. Mr. Lo is entitled to a director's fee of HK\$350,000 per annum. Nevertheless, his appointment will be subject to the provisions of retirement and re-election at the AGMs pursuant to the articles of association of the Company or any other applicable laws.

Save as disclosed above, there are no other matters concerning Mr. Lo's re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

** for identification purpose only*

This appendix serves as an explanatory statement as required by the Listing Rules to be sent to Shareholders to provide you with certain information relating to the Share Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company had 9,726,246,417 issued Shares. Subject to the grant of the Share Buy-back Mandate by the Shareholders at the 2022 AGM and on the basis that no further Shares are issued or bought back and cancelled prior to the 2022 AGM, the Company would be allowed under the Share Buy-back Mandate to buy back up to a maximum of 972,624,641 Shares, representing not more than 10% of the total issued Shares as at the date of the 2022 AGM.

2. REASONS FOR SHARE BUY-BACK

The grant of the Share Buy-back Mandate authorising the Company to purchase, redeem or acquire its Shares would give the Company the flexibility to undertake purchases of its Shares up to the 10% limit described at any time during the period when the Share Buy-back Mandate is in force. The rationale for the Company to undertake the purchase of its issued Shares is as follows:

- (a) in managing the business of the Group, the management of the Company will strive to increase Shareholders' value by improving, amongst other things, the ROE of the Company. In addition to growth and expansion of the business, purchases of the Shares may be considered as one of the ways through which the ROE of the Company may be enhanced;
- (b) in line with the international practice, the Share Buy-back Mandate will provide the Company with greater flexibility in managing its funds and maximising returns to Shareholders. To the extent that the Company has surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, the Share Buy-back Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner by way of purchasing its issued Shares at prices which are viewed as favourable;
- (c) the Share Buy-back Mandate will provide the Company with the flexibility to undertake purchases of its Shares at any time, subject to market conditions, during the period when the Share Buy-back Mandate is in force;
- (d) share purchases may help mitigate short-term market volatility (by way of stabilising the supply and demand of the issued Shares), offset the effects of short-term speculation, support the fundamental value of the issued Shares and bolster Shareholders' confidence; and

- (e) all things being equal, purchases of Shares pursuant to the Share Buy-back Mandate will result in a lower number of issued Shares being used for the purpose of computing EPS and BVS. Therefore, share purchases under the Share Buy-back Mandate will improve the Company's EPS and BVS, which in turn is expected to have a positive impact on the fundamental value of its issued Shares.

3. FUNDING OF SHARE BUY-BACK

In purchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association of the Company, the Articles and the applicable laws of the BVI and the Listing Rules for such purpose.

The BVI Act does not specify the funds out of which a company incorporated in the BVI as a business company may use to pay the purchase price. Such company may purchase its own shares so long as it is in accordance with the provisions of the BVI Act or such other provisions for the purchase as may be specified in the memorandum of association or articles of association of the company, and the directors of the company are satisfied on reasonable grounds that the company will, immediately after the purchase, redemption or acquisition, satisfy the solvency test. The BVI Act provides for certain situations in which the solvency test need not be satisfied. For instance, where the company redeems the shares pursuant to a right of a shareholder to have his shares redeemed or exchanged for money or other property of the company.

In purchasing Shares pursuant to the Share Buy-back Mandate, the Directors will principally consider the availability of internal resources. There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the Company's annual report for the Year in the event that the Share Buy-back Mandate were to be carried out in full at any time during the proposed purchase period. However, the Directors do not propose to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

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

| | Share Price | |
|---|-------------------------------|------------------------------|
| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
| 2021 | | |
| April | 0.179 | 0.149 |
| May | 0.179 | 0.156 |
| June | 0.178 | 0.114 |
| July | 0.125 | 0.085 |
| August | 0.123 | 0.082 |
| September | 0.105 | 0.088 |
| October | 0.107 | 0.083 |
| November | 0.098 | 0.082 |
| December | 0.091 | 0.061 |
| 2022 | | |
| January | 0.099 | 0.077 |
| February | 0.100 | 0.082 |
| March | 0.096 | 0.076 |
| April (up to the Latest Practicable Date) | 0.100 | 0.095 |

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that so far as the same may be applicable, they will exercise the powers of the Company to make purchases pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and any applicable laws of the BVI. None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Share Buy-back Mandate if such is approved by the Shareholders.

No core connected persons have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Share Buy-back Mandate is approved by the Shareholders.

6. TAKEOVERS CODE IMPLICATIONS

If on the exercise by the Directors of the Company's power to buy back Shares pursuant to the Share Buy-back Mandate, 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 Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

According to the register of interests in Shares and short positions maintained by the Company under section 336 of the SFO, as at the Latest Practicable Date, the following Shareholders were interested or deemed to be interested in 5% or more the issued Shares:

| Name of substantial shareholders | Capacity | Number of Shares held | | | Total | Approximate percentage of the issued Shares |
|---|--|-----------------------|--------------------|-----------------|---------------|---|
| | | Direct interest | Corporate interest | Other interests | | |
| Xitong International Holdings (HK) Limited ("Xitong International") ⁽¹⁾ | Beneficial owner | 2,917,000,000 | — | — | 2,917,000,000 | 29.99% |
| Wuxi Communications Industry Group Co., Ltd. ("Wuxi Communications") ⁽¹⁾ | Interests of a controlled corporation | — | 2,917,000,000 | — | 2,917,000,000 | 29.99% |
| CDBIH ⁽²⁾ | Beneficial owner | 2,430,921,071 | — | — | 2,430,921,071 | 24.99% |
| CDBC ⁽²⁾ | Interests of a controlled corporation | — | 2,430,921,071 | — | 2,430,921,071 | 24.99% |
| CDB ⁽²⁾ | Interests of controlled corporations | — | 2,430,921,071 | — | 2,430,921,071 | 24.99% |
| SRE Investment Holding Limited ("SREI") | Beneficial owner | 1,468,356,862 | — | — | 1,468,356,862 | 15.10% |
| Shi Jian ("Mr. Shi") ⁽³⁾ | Beneficial owner and interests of a controlled corporation | 6,104,938 | 1,468,356,862 | — | 1,474,461,800 | 15.16% |
| Jia Yun Investment Limited ("Jia Yun") ⁽⁴⁾ | Person having a security interest in shares | — | — | 1,027,849,803 | 1,027,849,803 | 10.57% |
| Jiabo Investment Limited ("Jiabo") ⁽³⁾ | Interests of a controlled corporation | — | 1,027,849,803 | — | 1,027,849,803 | 10.57% |
| Jiashun (Holding) Investment Limited ("Jiashun") ⁽⁴⁾ | Interest of controlled corporations | — | 1,027,849,803 | — | 1,027,849,803 | 10.57% |
| Jiasheng (Holding) Investment Limited ("Jiasheng") ⁽⁴⁾ | Interest of controlled corporations | — | 1,027,849,803 | — | 1,027,849,803 | 10.57% |
| Jiaxin Investment (Shanghai) Co., Ltd. ("Jiaxin") ⁽⁴⁾ | Interest of controlled corporations | — | 1,027,849,803 | — | 1,027,849,803 | 10.57% |
| China Minsheng Jiaye Investment Co., Ltd. ("China Minsheng Jiaye") ⁽⁴⁾ | Interest of controlled corporations | — | 1,027,849,803 | — | 1,027,849,803 | 10.57% |
| China Minsheng Investment Corp., Ltd. ("China Minsheng") ⁽⁴⁾ | Interest of controlled corporations | — | 1,027,849,803 | — | 1,027,849,803 | 10.57% |

Notes:

- (1) Xitong International is a wholly-owned subsidiary of Wuxi Communications. Wuxi Communications is, therefore, deemed under Part XV of the SFO to be interested in the 2,917,000,000 Shares held by Xitong International.
- (2) CDBIH is a wholly-owned subsidiary of CDBC and CDBC, in turn, is wholly owned by CDB. Both CDB and CDBC are, therefore, deemed under Part XV of the SFO to be interested in the 2,430,921,071 Shares held by CDBIH.
- (3) Pursuant to Part XV of the SFO, Mr. Shi is deemed interested in a total of 1,474,461,800 Shares for the following reasons: (i) Mr. Shi holds 6,104,938 Shares directly; and (ii) Mr. Shi is deemed interested in 1,468,356,862 Shares held by SREI by virtue of the fact that he and his wife, Ms. Si Xiao Dong together beneficially own 81% of the issued share capital of SREI as a controlling shareholder. On 4 March 2022, the Company has confirmed with Mr. Shi that all 6,104,938 Shares held directly by him have been sold.
- (4) Jia Yun acquired the security interests of 1,027,849,803 Shares from SREI on 28 December 2017. Jia Yun is a wholly-owned subsidiary of Jiabo, which in turn, is a wholly-owned subsidiary of Jiashun. Jiashun is a wholly-owned subsidiary of Jiasheng and Jiasheng is in turn a wholly-owned subsidiary of Jiaxin. Jiaxin is a wholly-owned subsidiary of China Minsheng Jiaye, which in turn, 62.60% owned by China Minsheng. All of Jiabo, Jiashun, Jiasheng, Jiaxin, China Minsheng Jiaye and China Minsheng are, therefore, deemed under Part XV of the SFO to be interested in the 1,027,849,803 Shares of security interest held by Jia Yun. Based on the public information available to the Company, the shareholding interest of China Minsheng in China Minsheng Jiaye has been changed to 67.26%.

On the basis that the shareholdings held by the Shareholders named above and the number of Shares in issue would remain the same, an exercise of the Share Buy-back Mandate in full will result in both Xitong International and Wuxi Communications becoming obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

Based on the above, the Directors are aware of the above consequence which may arise under the Takeovers Code as a consequence of any buy back of the Shares made under the Share Buy-back Mandate. Assuming that there is no change in the issued Shares between the Latest Practicable Date and the date of buy-back, the exercise of the Share Buy-back Mandate whether in whole or in part will result in less than 25% of the total issued Shares being held by the public. As required by Rule 8.08 of the Listing Rules, the 25% minimum public float must be maintained by the Company. The Directors do not intend to buy back Shares which would result in a public shareholding of less than the prescribed minimum percentage of Shares in public hands.

7. SHARES BUY-BACK MADE BY THE COMPANY

The Company has not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



CHINA NEW TOWN DEVELOPMENT COMPANY LIMITED

中國新城鎮發展有限公司

(Incorporated as a business company limited by shares under the laws of the British Virgin Islands)

(Company Registration Number: 1003373)

(Stock Code: 1278)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the members of China New Town Development Company Limited (the “**Company**” and the “**AGM**”, respectively) will be held at Unit 6, No. 18, Qinian Street, Dongcheng District, Beijing, the People’s Republic of China on Friday, 24 June 2022 at 2:30 p.m.. Please be on time to avoid disrupting the AGM as the AGM will commence at the stipulated time. The AGM is convened for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and independent auditor of the Company for the year ended 31 December 2021 (the “**Year**”).
2. To re-elect Ms. Yang Meiyu as an executive Director (the “**ED**”).
3. To re-elect Mr. Shi Janson Bing as an ED.
4. To re-elect Mr. Li Yao Min as a non-executive Director (the “**NED**”).
5. To re-elect Mr. Hu Zhiwei as an ED.
6. To re-elect Mr. Liu Yuhai as a NED.
7. To re-elect Mr. Wang Hongxu as a NED.
8. To re-elect Mr. Lo Wai Hung as an independent non-executive Director.
9. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors for the year ending 31 December 2022.
10. To re-appoint Messrs. Ernst & Young as the independent auditor of the Company to hold office until the conclusion of the next annual general meeting and to authorise the Board to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

11. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) of this Resolution below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares in the share capital of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**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 (the “**Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with the BVI Business Companies Act, 2004 (as amended, supplemented or otherwise modified from time to time) (the “**BVI Act**”) and all other applicable laws, the Hong Kong Code on Share Buy-backs administered by the Commission and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to buy back its Shares at a price determined by the Directors;
- (c) the total number of Shares to be bought back by the Directors pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10 per cent. of the total number of Shares in issue as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company (the “**AGM**”);
- (ii) the expiration of the period within which the next AGM is required by the BVI Act, applicable laws or the Company’s memorandum and articles of association to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in a general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

12. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) of this Resolution below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional new shares in the share capital of the Company (the “**Shares**”) and to make or grant offers, agreements, options and rights of exchange or conversion, 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 above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (c) the total number of Shares allotted or issued or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of options granted under any share option scheme or similar arrangement adopted by the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the memorandum and articles of association of the Company from time to time, shall not exceed 20 per cent. of the total number of Shares in issue as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“**Relevant Period**” shall have the same meaning ascribed to it under Resolution no. 11 as set out in the notice convening the annual general meeting of the Company, of which this Resolution forms part; and

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

NOTICE OF ANNUAL GENERAL MEETING

13. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of Resolution nos. 11 and 12 as set out in the notice convening the annual general meeting of the Company (the “**Notice**”) of which this Resolution forms part, the general mandate granted to the directors of the Company pursuant to the Resolution no. 12 as set out in the Notice of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the total number of shares of the Company (the “**Shares**”) to be bought back by the Company under the authority granted pursuant to the Resolution no. 11 as set out in the Notice of which this Resolution forms part, provided that such amount shall not exceed 10 per cent. of the total number of Shares in issue as at the date of passing of this Resolution.”

By Order of the Board
China New Town Development Company Limited
Cheng Lucy
Company Secretary

Hong Kong, 14 April 2022

Registered Office:

2/F, Palm Grove House
P.O. Box 3340
Road Town, Tortola
British Virgin Islands

*Headquarters and principal place of
business in Hong Kong:*

8203B-04A
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Notes:

1. Any shareholder of the Company (the “**Shareholder**” or the “**Member**”) entitled to attend and vote at the AGM convened by this notice or its adjourned meeting (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more Shares) or more than one proxy to attend and, on a poll, vote on his/her/its behalf subject to the provisions of the Articles of Association (the “**AoA**”). A proxy need not be a Shareholder.
2. If a Shareholder wishes to appoint a proxy or proxies, then the enclosed form of proxy must be completed, signed and deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 48 hours before the time appointed for holding the AGM and its adjourned meeting.
3. Where a Shareholder appoints more than one proxy, he/she/it shall specify the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion is specified, the proxy whose name appears first shall be deemed to represent 100 per cent. of the shareholding of the Shareholder and the proxy whose name appears second shall be deemed to be appointed in the alternate.

NOTICE OF ANNUAL GENERAL MEETING

4. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
5. For determining Shareholders' entitlement to attend and vote at the AGM, the register of Members will be closed from Tuesday, 21 June 2022 to Friday, 24 June 2022 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending the forthcoming AGM, the non-registered Shareholders must lodge all transfer documents, accompanied by the relevant share certificates, with the Company's Hong Kong branch share registrar, 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 Monday, 20 June 2022.

In view of the ongoing Novel Coronavirus (COVID-19) epidemic, the Company strongly recommends Shareholders to exercise their voting rights by appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

6. **Personal Data Privacy:** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or its adjournment, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including its adjournment) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including its adjournment), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.

NOTICE OF ANNUAL GENERAL MEETING

PRECAUTIONARY MEASURES FOR THE AGM

The Company will implement the following measures at the AGM, including:

- compulsory body temperature checks
- refusal of entry of those with a body temperature of over 37.3 degrees Celsius
- wearing of face masks throughout the AGM
- no distribution of corporate gifts and refreshments

Any person who does not comply with the precautionary measures will be denied entry into the AGM venue.

As at the date of this notice, the Board comprises four executive Directors, namely Mr. Liu Heqiang (Chief Executive Officer), Ms. Yang Meiyu, Mr. Hu Zhiwei (Vice President) and Mr. Shi Janson Bing; four non-executive Directors, namely Mr. Liu Yuhai (Chairman), Mr. Li Yao Min (Vice Chairman), Mr. Wang Hongxu and Mr. Wang Jiangang; and four independent non-executive Directors, namely Mr. Henry Tan Song Kok, Mr. Kong Siu Chee, Mr. Zhang Hao and Mr. Lo Wai Hung.