

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbrokers or other registered dealer in securities, bank managers, solicitors, professional accountants or other professional advisers.

If you have sold or transferred all your shares in Huitongda Network Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Huitongda Network Co., Ltd. 匯通達網絡股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9878)

- (1) 2021 WORK REPORT OF THE BOARD
 - (2) 2021 DEBRIEFING REPORT OF INDEPENDENT DIRECTORS
 - (3) 2021 WORK REPORT OF THE BOARD OF SUPERVISORS
 - (4) 2021 FINAL ACCOUNTS REPORT
 - (5) 2021 PROFIT DISTRIBUTION PLAN
 - (6) 2022 FINANCIAL BUDGET REPORT
 - (7) 2022 DEVELOPMENT AND INVESTMENT PLAN
 - (8) PROPOSED ELECTION OF DIRECTORS FOR THE THIRD SESSION OF THE BOARD
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 - (10) BANK CREDIT AND BANK LOANS IN 2022
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 - (12) USE OF IDLE SELF-OWNED FUNDS TO PURCHASE WEALTH MANAGEMENT PRODUCTS IN 2022
 - (13) RE-APPOINTMENT OF AUDITOR FOR 2022
 - (14) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
 - (15) PROPOSED GRANTING OF A GENERAL MANDATE TO THE BOARD TO ISSUE H SHARES
- AND
- ### NOTICE OF THE 2021 ANNUAL GENERAL MEETING

A notice on convening the AGM at the Conference Room, 6/F, Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC at 2:00 p.m. on Friday, June 17, 2022 is set out on pages 36 to 39 of this circular.

A form of proxy for the AGM is enclosed herewith. If you wish to appoint a proxy to attend the AGM, you must complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to us not later than 24 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be), i.e. by 2:00 p.m. on Thursday, June 16, 2022. 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 at that time.

Precautionary measures for the AGM

Taking into account the recent developments of the COVID-19, the Company will implement the following prevention and control measures at the AGM to safeguard the health and safety of the Shareholders attending the AGM:

1. Compulsory body temperature check will be conducted for every Shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the venue.
2. Every Shareholder or proxy is required to wear a surgical face mask throughout the meeting.
3. Every Shareholder or proxy is required to complete a health declaration form before entering the venue.
4. No entry to the venue is allowed for any person who has shown any symptom of COVID-19 or is subject to quarantine order.
5. As a precautionary safety measure, appropriate distancing and spacing will be observed and as such, the Company reserves the right to limit the number of the attendees at the AGM as may be necessary to reduce interaction between participants.
6. No refreshments will be served and no corporate gifts will be distributed.

Shareholders, particularly those who are subject to quarantine in relation to COVID-19, are reminded that they may appoint any person or the chairman of the AGM as a proxy to attend and vote at the AGM, instead of attending and voting in person.

May 27, 2022

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DEFINITIONS

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

“AGM”	the 2021 annual general meeting of the Company to be held at the Conference Room, 6/F, Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC at 2:00 p.m. on Friday, June 17, 2022 or any adjournment thereof (as the case may be)
“Articles of Association”	the articles of association of the Company (as amended, supplemented or otherwise modified from time to time)
“Board”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of our Company
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this circular only, the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Company”	Huitongda Network Co., Ltd., a joint stock company incorporated under the laws of the PRC with limited liability on December 6, 2010, the H shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 9878)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are subscribed for and traded in HK dollars and are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	May 20, 2022, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Share(s)”	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each
“Subsidiary” or “Subsidiaries”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	supervisor(s) of the Company
“%”	per cent

LETTER FROM THE BOARD



Huitongda Network Co., Ltd.

匯通達網絡股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 9878)

Chairman and non-executive Director:
Wang Jianguo

Executive Directors:
Xu Xiuxian (*Chief Executive Officer*)
Zhao Liangsheng

Non-executive Directors:
Wang Jian
Cai Zhongqiu
Wang Yi

Independent non-executive Directors:
Liu Xiangdong
Cheng Zichuan
Huang Shun

*Registered Office and
Headquarters:*
Huitongda Building
50 Zhongling Street, Xuanwu District
Nanjing
Jiangsu Province
PRC

*Principal Place of Business
in Hong Kong:*
40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

May 27, 2022

To the Shareholders

Dear Sir or Madam,

- (1) 2021 WORK REPORT OF THE BOARD
- (2) 2021 DEBRIEFING REPORT OF INDEPENDENT DIRECTORS
- (3) 2021 WORK REPORT OF THE BOARD OF SUPERVISORS
- (4) 2021 FINAL ACCOUNTS REPORT
- (5) 2021 PROFIT DISTRIBUTION PLAN
- (6) 2022 FINANCIAL BUDGET REPORT
- (7) 2022 DEVELOPMENT AND INVESTMENT PLAN
- (8) PROPOSED ELECTION OF DIRECTORS FOR THE THIRD SESSION OF THE BOARD
- (9) PROPOSED ELECTION OF SUPERVISOR FOR THE THIRD SESSION OF THE BOARD OF SUPERVISORS
- (10) BANK CREDIT AND BANK LOANS IN 2022
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- (13) RE-APPOINTMENT OF AUDITOR FOR 2022
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LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with the AGM notice and information on certain resolutions to be considered at the AGM so that you can make an informed decision on whether to vote for or against such resolutions at the AGM.

2. MATTERS TO BE RESOLVED AT THE AGM

The ordinary resolutions to be proposed at the AGM to approve: (i) 2021 work report of the Board; (ii) 2021 debriefing report of independent Directors; (iii) 2021 work report of the Board of Supervisors; (iv) 2021 final accounts report; (v) 2021 profit distribution plan; (vi) 2022 financial budget report; (vii) 2022 development and investment plan; (viii) proposed election of Directors for the third session of the Board; (ix) proposed election of Supervisor for the third session of the Board of Supervisors; (x) bank credit and bank loans in 2022; (xi) provision of guarantee for the financing of subsidiaries in 2022; (xii) use of idle self-owned funds to purchase wealth management products in 2022; and (xiii) re-appointment of auditor for 2022.

The special resolutions to be proposed at the AGM to approve: (xiv) proposed amendments to the Articles of Association; and (xv) proposed granting of a general mandate to the Board to issue H Shares.

To further your understanding of the resolutions to be proposed at the AGM and make a decision with sufficient and necessary information, the Company has provided detailed information in this circular, including the matters to be resolved at the AGM (see Appendix I), 2021 debriefing report of independent Directors (see Appendix II), 2021 work report of the Board of Supervisors (see Appendix III), biographical details of candidates for the Directors of the third session of the Board (see Appendix IV) and biographical details of candidates for the Supervisors of the third session of the Board of Supervisors (see Appendix V).

3. AGM AND VOTING METHOD

A notice on convening the AGM at the Conference Room, 6/F, Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC at 2:00 p.m. on Friday, June 17, 2022 is set out on pages 36 to 39 of this circular.

The register of members of the Company is closed from Wednesday, May 18, 2022 to Friday, June 17, 2022 (both days inclusive) for determining the entitlement of Shareholders to attend and vote at the AGM, during which period no transfers of Shares will be registered. To be eligible to attend and vote at the AGM, all completed transfer documents together with the relevant Share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders) or the Company's domestic Share registrar, being the registered office of the Company, at Huitongda Building, 50 Zhongling Street, Xuanwu District, Nanjing, Jiangsu Province, the PRC (for

LETTER FROM THE BOARD

domestic Shareholders) not later than 4:30 pm on Tuesday, May 17, 2022. All Shareholders whose names appear on the register of members of the Company on Friday, June 17, 2022 are entitled to attend and vote at the AGM.

A form of proxy for the AGM is enclosed with this circular and is available on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.htd.cn). Shareholders who wish to appoint proxies to attend the AGM are requested to complete and return the form of proxy to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders) or the Company's domestic Share registrar, being the registered office of the Company, at Huitongda Building, 50 Zhongling Street, Xuanwu District, Nanjing, Jiangsu Province, the PRC (for domestic Shareholders) not later than 24 hours before the time of the AGM (i.e. before 2:00 p.m. on Thursday, June 16, 2022). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof should they so wish at that time.

Pursuant to Rule 13.39(4) of the Listing Rules and Article 110 of the Articles of Association, subject to certain exceptions, all votes of the Shareholders at the general meetings must be taken by poll. Therefore, all resolutions at the AGM will be taken by poll.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at Latest Practicable Date, Mr. WANG Jianguo, Mr. XU Xiuxian, Mr. WANG Jian as well as Nanjing Yuanbai Enterprise Management Centre (Limited Partnership) have material interests in No.10 resolution on bank credit and bank loans in 2022, and must abstain from voting on the resolution. Save for disclosed above, no Shareholder will be required to abstain from voting on the relevant resolution at the AGM.

4. RECOMMENDATION

The Board considers that all the resolutions set out in the notice of the 2021 Annual General Meeting for consideration and approval by the Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of all the resolutions to be proposed at the AGM.

By order of the Board
Huitongda Network Co., Ltd.
Chairman
WANG Jianguo

I. 2021 WORK REPORT OF THE BOARD

For the major contents of the 2021 work report of the Board of the Company, please refer to the report of the Directors set out in the Company's 2021 annual report published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.htd.cn) on April 26, 2022.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

II. 2021 DEBRIEFING REPORT OF INDEPENDENT DIRECTORS

For the full text of the 2021 debriefing report of independent Directors of the Company, please refer to Appendix II to this circular.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

III. 2021 WORK REPORT OF THE BOARD OF SUPERVISORS

For the full text of the 2021 work report of the Board of Supervisors of the Company, please refer to Appendix III to this circular.

This resolution was considered and approved by the Board of Supervisors on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

IV. 2021 FINAL ACCOUNTS REPORT

The Company has prepared its financial statements for 2021 in accordance with the International Accounting Standards and engaged KPMG to audit the Company's financial statements. KPMG has issued a standard unqualified auditor's report to the Company. For the details of the above statements, please refer to the financial report in the Company's 2021 annual report published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.htd.cn) on April 26, 2022.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

V. 2021 PROFIT DISTRIBUTION PLAN

According to the 2021 audit report issued by KPMG, the Group recorded a net loss of RMB177.0490 million, of which the parent company recorded a net loss of RMB580.9720 million.

Given that the Company was in the development period in which its business had a high demand for capital, the Board proposes not to make profit distribution or capitalization of capital reserve for this year, to secure the sustainable, stable and sound development of the Company and better safeguard the long-term interests of all Shareholders.

This resolution was considered and approved by the Board on March 30, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

VI. 2022 FINANCIAL BUDGET REPORT

In accordance with the Company's strategic development objectives and business development needs, the Company has prepared the 2022 financial budget report.

According to the 2022 financial budget report, the Company expects to invest approximately RMB2.587 billion in expenses for various items in 2022, mainly for increasing the inputs in personnel, marketing, warehousing and logistics, fixed assets and daily operation.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

VII. 2022 DEVELOPMENT AND INVESTMENT PLAN

In 2022, the management team of the Company will continue devoting itself to building the Company into a benchmark enterprise in industrial Internet in China, to restructure and upgrade the industry as well as achieve comprehensive cost reduction and efficiency improvement, so as to build a new pattern and achieve a new leap forward. To this end, the Company's investment in 2022 will focus on "building, replenishing and strengthening the chain", further increasing its investment in strategic supply chain resources of upstream brand manufacturers. At the same time, the Company will take into account the expansion of regional channel outlets and the supplementation and integration of regional supply chain resources, and moderately increase the investment in industrial ecology, so as to build a diversified profit model.

Based on the above strategic objectives as well as the investment and development situation in 2021 and the operating budget for 2022, the Company expects an overall capital investment of RMB900 million.

At the same time, it is proposed at the AGM to authorize the Board which may delegate such authority to the Company's management to act depending on the projects invested, within the total investment amount specified in the 2022 development and investment plan.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

VIII. PROPOSED ELECTION OF DIRECTORS FOR THE THIRD SESSION OF THE BOARD

Reference is made to the announcement of the Company dated April 20, 2022 in relation to, among other things, the proposed election of Directors for the third session of the Board.

Considering the expiration of the term of office of the second session of the Board, the Company proposes to elect a new session of the Board in accordance with the relevant laws and regulations and the Articles of Association. The Board recommends to propose Mr. WANG Jianguo, Mr. WANG Jian, Mr. CAI Zhongqiu and Mr. WANG Yi as candidates for non-executive Directors, Mr. XU Xiuxian and Mr. ZHAO Liangsheng as candidates for executive Directors, and Ms. YU Lixin, Mr. LIU Xiangdong and Mr. CHENG Zichuan as candidates for independent non-executive Directors.

The Board agrees to submit the above list of candidates for Directors of the third session of the Board at the AGM for consideration and approval to elect four non-executive Directors, two executive Directors and three independent non-executive Directors, a total of nine Directors, to form the third session of the Board. The term of office of the Directors of the third session of the Board is three years, with effect from the date of approval at the AGM. All the existing members of the second session of the Board continue to perform before the appointment of the members of the third session of the Board.

Pursuant to Article 15 of the Rules Governing Independent Directors of Listed Companies issued by the China Securities Regulatory Commission ([2022] No. 14) (independent directors shall not hold office for more than six consecutive years) and Article 135 of the Articles of Association, Mr. HUANG Shun, an independent non-executive Director, shall retire at AGM upon the expiry of his term of office. Mr. HUANG Shun has confirmed that he has no disagreement with the Board and there is no other matter relating to his retirement that needs to be brought to the attention of the Hong Kong Stock Exchange or the Shareholders. The Board has confirmed that there are no other matters concerning Mr. HUANG Shun that need to be brought to the attention of the Hong Kong Stock Exchange or the Shareholders.

The above-mentioned director candidates have respectively confirmed that they have no disagreement in respect of the nomination.

Pursuant to the requirements of the Rule 13.51(2) of the Listing Rules, the details of the biographies of candidates for the Directors of the third session of the Board and other information relating to their appointments are set out in Appendix IV to this circular.

The nomination of the independent non-executive Directors is being submitted to the general meeting for election and determination in accordance with the provisions of the Articles of Association, having regard to the candidates' past experience, skills and background, knowledge, experience, independence and the specific needs of the Company, and after preliminary review by the nomination committee of the Board and consideration and approval by the Board. Each of the candidates for independent non-executive Directors has

confirmed their independence to the Company in accordance with Rule 3.13 of the Listing Rules. The nomination committee of the Board has assessed and reviewed the independence of each of such candidates and is of the view that they have satisfied the independence requirement.

The nomination committee of the Board is of the view that each of such candidates has basic knowledge of the operation of listed companies and is familiar with relevant laws, administrative rules, regulations and other regulatory documents, with experience in economics, finance, management or other fields as necessary to perform the duties of an independent non-executive Director. Such candidates will properly perform their due duties and responsibilities as independent non-executive Directors and make positive contribution to the development of the Company. Such candidates will also promote diversity of the Board from aspects such as age, gender, cultural and educational background, professional experience, skills and knowledge.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval on a case by case basis at the AGM.

IX. PROPOSED ELECTION OF SUPERVISOR FOR THE THIRD SESSION OF THE BOARD OF SUPERVISORS

Reference is made to the announcement of the Company dated April 20, 2022 in relation to, among other things, the proposed election of supervisor for the third session of the Board of Supervisors.

Since the term of the second session of the Board of Supervisors has expired, the Company proposes to elect a new session of the Board of Supervisors in accordance with the relevant laws and regulations and the Articles of Association. The Board of Supervisors recommends to propose Mr. LI Wei as the candidate for non-employee representative Supervisor.

At the employee representative meeting held on April 19, 2022, Mr. WANG Xinghua and Mr. MAO Yijun were elected as employee representative Supervisors. Their term of office shall be consistent with that of the third session of the Board of Supervisors.

The Board of Supervisors agrees to submit the above list of candidate for non-employee representative Supervisor of the third session of the Board of Supervisors at the AGM for the consideration and approval to elect one non-employee representative Supervisor. Together with two employee representative Supervisors elected through democratic elections organized by the employees, a total of three Supervisors will form the third session of the Board of Supervisors. The term of office of the Supervisors of the third session of the Board of Supervisors is three years, effective from the date of approval at the AGM. All the existing members of the second session of the Board of Supervisors continue to perform before the appointment of the members of the third session of the Board of Supervisors.

The above-mentioned candidate for non-employee representative Supervisor has confirmed that he has no disagreement in respect of the nomination.

Pursuant to the requirements of the Rule 13.51(2) of the Listing Rules, the details of the biographies of candidates for the Supervisors of the third session of the Board of Supervisors and other information relating to their appointments are set out in Appendix V to this circular.

This resolution was considered and approved by the Board of Supervisors on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval on a case by case basis at the AGM.

X. BANK CREDIT AND BANK LOANS IN 2022

With the rapid expansion of the Company's business scale, the existing bank line of credit can no longer meet the business operation demand. To ensure the normal business development, the Company intends to newly apply for RMB3 billion line of credit in 2022 with banks including but not limited to ICBC, Bank of China, Bank of Communications, China Merchants Bank and other financial institutions. Types of credit include but not limited to line of credit for bank note exposure, loan, letter of guarantee, supply chain, etc. The subjects of credit newly include the Company's business divisions and branch subsidiaries. The total bank line of credit shall be limited to RMB13.540 billion. In addition, the Company intends to increase a bank loan by not more than RMB450 million to supplement its working capital, but the total loan balance shall be limited to RMB600 million.

For the above bank credit and bank loan, it is proposed to continue to be jointly and severally guaranteed by Mr. Wang Jianguo, the substantial shareholder of the Company, and his controlled company Five Star Holdings Group Co., Ltd., if the credit is granted to the Company; and to be jointly and severally guaranteed by the Company if the credit is granted to the Company's business divisions and branch subsidiaries.

The above joint and several liability guarantees provided by Mr. Wang Jianguo, the substantial shareholder of the Company, and his controlled company Five Star Holdings Group Co., Ltd., constitute the financial assistance to be provided by connected persons for the benefit of the Group and are on normal commercial terms or better commercial terms. Furthermore, such financial assistance is not secured by the assets of the Group. Accordingly, such financial assistance is exempt from all requirements of reporting, annual review, announcement and independent Shareholders' approval according to Rule 14A.90 of the Listing Rules.

At the same time, it is proposed at the AGM to authorize the Board which may delegate such authority to the Company's management to act depending on use of funds within the above total line of credit.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

XI. PROVISION OF GUARANTEE FOR THE FINANCING OF SUBSIDIARIES IN 2022

The Company intends to provide guarantee for the external bank financing activities and supplier credit of its high-quality subsidiaries, with the total guarantee balance limited to RMB3 billion and not exceeding 30% of the Company's net assets and 10% of its total assets as of the latest period. The purpose is to fully motivate the operational enthusiasm and independence of the Company's subordinate operating entities (including business divisions, branch subsidiaries and joint venture subsidiaries) and encourage them to optimize their settlement methods and independent financing.

At the same time, it is proposed at the AGM to authorize the Board which may delegate such authority to the Company's management to act depending on use of funds within the above total guarantee balance.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

XII. USE OF IDLE SELF-OWNED FUNDS TO PURCHASE WEALTH MANAGEMENT PRODUCTS IN 2022

The Company intends to use its idle self-owned funds to purchase wealth management products on the premise of ensuring its normal operation, to improve the efficiency of use of funds and rationalize the use of idle funds.

(I) Investment amount

The Company intends to use its idle self-owned funds of not exceeding RMB4 billion in total to purchase wealth management products within the authorization period, and the funds can be used on a rolling basis within the above amount.

(II) Investment variety

The wealth management products that the Company intends to purchase are short-term (within 12 months) low-risk products, and the funds are invested in fixed-income and fixed-class income products with expected returns higher than the interest rates of bank deposits in the same period. Such purchase is an important financial management tool for the Company to improve the efficiency of use of idle self-owned funds under the premise of risk control.

(III) Investment risk analysis and risk control measures**1. Investment risk**

The funds used for the short-term wealth management products to be invested by the Company are idle self-owned funds, without detriment to the Company's daily capital turnover needs or the normal development of the Company's principal business. The Company is currently in a sound financial position. The use of the corresponding funds will not affect the development of the Company's daily business, but will increase the income of idle self-owned funds, which is in the interest of all Shareholders.

2. Risk control measures

- (1) The Company intends to purchase short-term wealth management products, which are invested in fixed-income and fixed-class income products and cannot be used for stocks and their derivatives or other financial products with unsecured bonds as the investment target. In this sense, the risks are controllable. The relevant personnel of the Company's financial management center will analyze and track the investment orientation of the wealth management products and project progress in time. If finding risk factors that may affect the security of the Company's funds through evaluation, they will take measures to control the investment risk in time.
- (2) The Company's fund management department will establish a ledger to manage the short-term wealth management products, and the accounting department will establish complete accounts for the financial accounting of the use of funds.
- (3) The independent non-executive Directors and the Board of Supervisors of the Company have the right to supervise and inspect the use of funds, and may engage professional institutions to conduct audits when necessary.

(IV) Decision-making procedures

In accordance with the relevant provisions of the Articles of Association and the Management Regulation governing the External Investment of the Company, this resolution shall be submitted to the general meeting for consideration and approval.

(V) Authorization period

The authorization period shall be from the date of consideration and approval of this resolution at the AGM to the date of the next annual general meeting of the Company.

Meanwhile, it is proposed at the AGM to authorize the Board which may delegate such authority to the Company's management to be responsible for investment decision-making and purchases of wealth management products within the above investment varieties and amount.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

XIII. RE-APPOINTMENT OF AUDITOR FOR 2022

The total fee with tax included for the audit services conducted and provided by KPMG engaged by the Company in 2021 was approximately RMB5.5156 million.

The Board proposes to re-appoint KPMG as the Company's auditor for 2022 for a term of one year. The auditor's remuneration for 2022 will be determined based on the auditor's specific workload and market price level.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as an ordinary resolution for consideration and approval at the AGM.

XIV. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated April 20, 2022 in relation to, among other things, the proposed amendments to the Articles of Association.

Based on the completion of the initial public offering and listing of the Company, and in light of the issuance of H shares of the Company and the needs of the Company's daily operation and management, the Board proposes to amend the Articles of Association.

Details of the proposed amendments to the Articles of Association are set out below:

Original Articles of the Articles of Association	Amended Articles of the Articles of Association
<p>Article 5 The Company's legal representative is the Chairman of the Board of the Company.</p>	<p>Article 5 The Company's legal representative is the Chairman of the Board general manager of the Company.</p>
<p>Article 19 With the approval of the securities regulatory authorities under the State Council on September 30, 2021, the Company may issue no more than 103,227,660 overseas listed foreign shares to overseas investors and convert 126,354,539 domestic shares of the Company they held into overseas listed foreign shares.</p>	<p>Article 19 With the approval of the securities regulatory authorities under the State Council on September 30, 2021, the Company may issue no more than 103,227,660 overseas listed foreign shares to overseas investors and converted 126,354,539 domestic shares of the Company they held into overseas listed foreign shares <u>issued 51,606,200 H shares on February 18, 2022, and an additional 2,305,600 H shares on March 16, 2022, for a total of 53,911,800 H shares.</u></p>

Original Articles of the Articles of Association	Amended Articles of the Articles of Association
<p>Upon the issuance of the aforesaid overseas listed foreign shares (assuming that the over-allotment options are not exercised) and the completion of the conversion of the Domestic Shares into Overseas Listed Foreign Shares, the Company's capital structure is as follows: 560,264,237 ordinary shares, including 382,303,498 domestic shares and 177,960,739 overseas listed foreign shares (including 126,354,539 overseas listed foreign shares converted from domestic shares). Upon the issuance of the aforesaid overseas listed foreign shares (assuming that the over-allotment options are fully exercised) and the completion of the conversion of the Domestic Shares into Overseas Listed Foreign Shares, the Company's capital structure is as follows: 568,005,137 ordinary shares, including 382,303,498 domestic shares and 185,701,639 overseas listed foreign shares (including 126,354,539 overseas listed foreign shares converted from domestic shares).</p> <p>The registered capital of the Company before the issuance of H-shares was RMB508.658037 million.</p>	<p>Upon the issuance of the aforesaid overseas listed foreign shares (assuming that the over-allotment options are not exercised) and the completion of the conversion of the Domestic Shares into Overseas Listed Foreign Shares, the Company's capital structure is as follows: 560,264,237 ordinary shares, including 382,303,498 domestic shares and 177,960,739 overseas listed foreign shares (including 126,354,539 overseas listed foreign shares converted from domestic shares). Upon the issuance of the aforesaid overseas listed foreign shares (assuming that the over-allotment options are fully exercised) and the completion of the conversion of the Domestic Shares into Overseas Listed Foreign Shares, the Company's capital structure is as follows: 568,005,137 ordinary shares, including 382,303,498 domestic shares and 185,701,639 overseas listed foreign shares (including 126,354,539 overseas listed foreign shares converted from domestic shares).</p> <p>The registered capital of the Company before the issuance of H-shares was RMB508.658037<u>562.569837</u> million, <u>equivalent to 562,569,837 shares.</u></p> <p><u>The Company's share capital structure is as follows: 562,569,837 ordinary shares, including 382,303,498 domestic shares, accounting for 67.96% of the Company's total number of shares; 180,266,339 overseas listed foreign shares, accounting for 32.04% of the Company's total number of shares.</u></p>

The amended Articles of Association will become effective from the date of consideration and approval at the AGM. Prior to that, the current Articles of Association shall remain effective.

This resolution was considered and approved by the Board on April 20, 2022 and is being proposed as a special resolution for consideration and approval at the AGM.

XV. PROPOSED GRANTING OF A GENERAL MANDATE TO THE BOARD TO ISSUE H SHARES

It is suggested to propose to the AGM to grant a general and unconditional mandate to the Board to determine to separately or concurrently allot, issue and deal with no more than 20% of the number of issued H shares of the Company, or securities, share options and warrants convertible into such Shares, or similar rights to subscribe for H Shares (“**Similar Rights**”), so as to meet the needs of the Company’s business development, consolidate the Company’s leading position in the industry, further improve the Company’s capital strength and comprehensive strength, and increase decision-making efficiency to grasp the market opportunity. As at the Latest Practicable Date, the issued shares of the Company consisted of 382,303,498 domestic Shares and 180,266,339 H Shares. Subject to the approval of this resolution and assuming that no H Share will be issued prior to the AGM, the Company may issue up to 36,053,267 H Shares pursuant to the general mandate.

Details of the above general mandate are as follows:

- I. To grant a general and unconditional mandate to the Board to determine to allot, issue and deal with H Shares or Similar Rights, separately or concurrently, and to determine the terms and conditions for allotting, issuing and dealing with such new H Shares or Similar Rights including but not limited to:
 1. the class and number of new H Shares and/or Similar Rights proposed to be issued;
 2. the pricing methods, target subscribers, interest rate and issuance/conversion/exercise price (including price range) of the new H Shares and/or Similar Rights;
 3. the commencement and closing dates of the issuance;
 4. the use of proceeds from the new H Shares and/or Similar Rights proposed to be issued;
 5. the class and number of new H Shares and/or Similar Rights proposed to be issued to existing shareholders; and/or

6. the making or granting of offers for sale, agreements, share options, convertible rights or other rights (including rights under the equity incentive scheme, unless otherwise provided by applicable laws and regulations) which may be required for the exercise of such rights.

- II. The number of H Shares to be allotted, issued and dealt with separately or concurrently (whether under a share option or otherwise) by the Board under the general mandate (excluding Shares issued by way of capitalization of reserves) shall not exceed 20% of the number of H Shares of the Company in issue at the time this resolution is considered and approved by the Company at the AGM.

- III. If the Board has decided to allot, issue and deal with H Shares or Similar Rights within the Relevant Period, and the Company has obtained the relevant approval, permission or registration (if applicable) from the regulatory authorities within the validity period of authorization, the Board or the Chairman of the Board and its authorized persons may complete the relevant allotment, issuance and disposal within the validity period confirmed by relevant approval, permission or registration.

- IV. To authorize the Board to obtain approval from all relevant government departments and/or regulatory authorities (if applicable) in accordance with applicable laws as amended from time to time (including but not limited to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Listing Rules, or the applicable laws and regulations of the regulatory authorities in the place where the Company's shares are listed), and exercise general mandate.

- V. To authorize the Board to approve, execute and do or procure to be executed and done, all such documents, deeds and matters as it may consider necessary in connection with the allotment, issuance and disposal of any new H Shares pursuant to the exercise of the general mandate, complete necessary formalities and procedures, and take other necessary actions.

- VI. To authorize the Board at the time of allotment of new H Shares and after the completion of the issuance, to increase the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association in accordance with the method and number of the allotment and issuance of new H Shares of the Company and the shareholding structure of the Company upon completion of the allotment and issuance of new H Shares.

VII. The general mandate shall be valid from the date when this resolution is considered and approved by the general meeting to the following date, whichever is earlier (the “**Relevant Period**”):

1. the expiration of 12 months from the date when this resolution is considered and approved at the AGM;
2. the conclusion of the 2022 annual general meeting of the Company; or
3. the date on which the mandate granted under this resolution is revoked or amended by the Shareholders at any general meeting by way of special resolution.

This resolution was considered and approved by the Board on May 17, 2022 and is being proposed as a special resolution for consideration and approval at the AGM.

In 2021, in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Securities Law of the People's Republic of China, the Guiding Opinions on the Establishment of an Independent Non-Executive Director System in Listed Companies, the Articles of Association of the Company and other relevant regulations, they, as independent non-executive Directors of Huitongda Network Co., Ltd. (the "Company"), fulfilled their duties in the principles of independence, objectivity and impartiality, exercised due diligence in the daily work and decision-making of the Board, and expressed independent and objective opinions on major matters considered by the Board. Their work safeguarded the legitimate rights and interests of all Shareholders, particularly minority Shareholders. The report on the performance of duties of the independent non-executive Directors for 2021 is set out below:

I. PARTICULARS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company's independent non-executive Directors have the professional knowledge required to perform their duties, extensive experience in the industry and the ability to exercise independent judgment. The biographical details of the current independent non-executive Directors of the Company are as follows:

Mr. HUANG Shun, a certified public accountant, solicitor and intermediate accountant, with a bachelor's degree, is the deputy general manager and chief accountant of Jiangsu Verti-Hor Certified Public Accountants Co., Ltd. (江蘇縱橫會計師事務所有限公司), a part-time professor of the College of Economics and Management of Nanjing University of Information Science & Technology, and a supervisor of Beijing Huachen Chuangwei Nanjing Information Technology Co., Ltd. (北京華控創為南京信息技術有限公司).

Mr. LIU Xiangdong, is a professor and doctoral supervisor at the Business College of the Renmin University of China. He was a member of the School Council, director of the Development Planning Division, and Vice Dean of Business College of the Renmin University of China. He is an independent non-executive director and consultant of domestic listed companies and e-commerce enterprises, and a special expert of China Chain-Store & Franchise Association (CCFA). His main research areas include industrial economics, e-commerce theory and practice, digital transformation, and retail and distribution economics.

Mr. CHENG Zichuan has obtained a Master of Business Administration at Waseda University in Japan. He serves as an assistant president of the capital market center of Leading Hong Kong Holdings Limited (領地香港有限公司). Mr. Cheng successively served as a manager of China Business Division of ORIX Group, a vice president in the investment banking department at ORIX Asia Capital Limited, and a president of the investment and financing department of Hong Yang Group Company Limited (弘陽集團有限公司).

The independence is not affected by any relationship between the independent non-executive Directors and the Company, or by the Company's major Shareholders, de facto controller, or other units or individuals with an interest in the Company.

II. PARTICIPATION IN THE BOARD (INCLUDING SPECIAL COMMITTEES) AND ATTENDANCE AT THE GENERAL MEETING

In 2021, the Company held three Board meetings, four meetings of the Audit Committee, two meetings of the Strategy Committee and two meetings of the Remuneration and Appraisal Committee, and the independent non-executive Directors of the Company attended all of these meetings. In 2021, the independent non-executive Directors of the Company did not raise any objection to the resolutions considered by the Board and the special committees of the Company in 2021.

During the reporting period, the independent non-executive Directors of the Company attended all of the two general meetings, six attendances in total.

III. MATTERS OF KEY CONCERN TO THE INDEPENDENT NON-EXECUTIVE DIRECTORS IN THEIR ANNUAL DUTIES**(I) Related party transactions**

During the reporting period, we carefully reviewed the significant related party transactions of the Company and were of the view that: The related party transactions were in compliance with the principles of fairness, justice and openness and conducive to the development of the relevant principal business of the Company, without affecting the independence of the Company. The pricing principles of the related party transactions between the Company and the related party parties were fair and reasonable, without detriment to the interests of the Company and minority Shareholders. The consideration and voting of the relevant resolutions were in strict accordance with the Articles of Association and the Measures for the Administration of Related Party Transactions of the Company, and the decision-making procedures were legal and compliant.

(II) External guarantee and capital occupation

During the reporting period, the Company provided guarantees for the external bank financing activities of its high-quality subsidiaries. That was not only conducive to the Company's business development and the virtuous cycle for the Company's entire supply chain system but also suited to the Company's operational realities and overall development strategy. The decision-making procedures of the Company's external guarantees were in compliance with relevant laws, rules and regulations as well as the provisions of the Articles of Association. During the reporting period, there was neither guarantee for nor capital occupation by the controlling Shareholder, the de facto controller and the enterprises under its control.

(III) Appointment and removal as well as remuneration and appraisal of senior management

During the reporting period, the Company's management team was stable and there were no appointments and dismissals of senior management. The senior management of the Company conscientiously reported on its work to the Board. The remuneration of the senior management of the Company was in compliance with the provisions of the policy on performance appraisal and remuneration, and remuneration payment was in compliance with relevant laws and the provisions of the Articles of Association, rules and regulations of the Company.

(IV) Appointment of the auditor

During the reporting period, the independent non-executive Directors carefully considered the Proposal on the Appointment of Auditor in 2021. Upon examination and verification, KPMG was legally qualified to provide audit services for the listed company. KPMG, following auditing standards and other laws and regulations and abiding by the professional ethics, conscientiously performed its audit duties and completed audits independently, objectively and impartially. The Company's decision to engage KPMG as the Company's auditor for 2021 was in compliance with the relevant provisions of the Company Law and the Articles of Association, without detriment to the interests of the Company or its Shareholders.

(V) Profit distribution

During the reporting period, in light of the characteristics of the industry and its development stage and capital requirements of the Company, the Company decided not to distribute profits for the time being but used the undistributed profits to supplement its working capital. We carefully reviewed the above profit distribution plan and were of the view that it was in compliance with the relevant provisions of the Articles of Association on profit distribution and conducive to the stable operation and sustainable development of the Company, without detriment to the interests of minority Shareholders.

(VI) Implementation of internal control

During the reporting period, in accordance with the provisions of the Basic Standard for Enterprise Internal Control and its supporting guidelines and other internal control regulatory requirements, the Company identified and evaluated internal control risks and identified internal control deficiencies. Based on its internal control policy and evaluation methods, the Company prepared the 2021 Evaluation Report on Internal Control, stating the scope of internal control evaluation, the basis of work and deficiency identification criteria, and evaluated the effectiveness of internal control of key business processes and key control links. We listened to the report on internal control efforts of the Company and made constructive comments and suggestions.

(VII) Others

During the reporting period, in strict accordance with the relevant laws and regulations and the Articles of Association of the Company, we performed our duties as independent non-executive Directors faithfully, diligently and conscientiously, and exercised our due functions and power prudently, conscientiously and objectively, to secure the sustainable growth of the Company's operation. We paid continuous attention to the implementation and improvement of the Company's policies of operation, management and internal control, the implementation of Board resolutions, financial management, progress of member operation and investment development and other related matters. We also identified problems in the Company's operation and potential risk factors, and made professional suggestions for the Company's decision-making and risk prevention.

IV. OVERALL EVALUATION

In 2021, the independent non-executive Directors of the Company, in the principles of independence, objectivity and impartiality, conscientiously and faithfully performed the duties conferred by relevant laws and regulations and the Articles of Association of the Company, participated in the decision-making on major matters of the Company, and expressed their opinions prudently and objectively. Their work played a positive role in safeguarding the legitimate rights and interests of all Shareholders and contributed to the stable and sound development of the Company.

Huitongda Network Co., Ltd.

Mr. HUANG Shun, Mr. LIU Xiangdong, and Mr. CHENG Zichuan

Independent non-executive Directors

In 2021, in strict accordance with the Company Law, the Articles of Association and the Rules of Procedure of the Board of Supervisors of the Company and relevant laws and regulations, the Board of Supervisors supervised and inspected the legal operation, financial position, operation and implementation of the management policy in a responsible manner to the Company and all Shareholders, conscientiously performing its due duties and promoting the operation and development of the Company. The 2021 Work Report of the Board of Supervisors is set out below:

I. DAILY WORK OF THE BOARD OF SUPERVISORS IN 2021

In 2021, the Board of Supervisors held three meetings, attended two Board meetings and two general meetings, and conducted due diligence reviews of relevant resolutions. The details are as follows:

(I) Convening meetings of the Board of Supervisors

1. On April 25, 2021, the eighth meeting of the second session of the Board of Supervisors was held at the Conference Room, 6/F., Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC and six resolutions were considered and approved.
2. On June 5, 2021, the ninth meeting of the second session of the Board of Supervisors was held at the Conference Room, 6/F., Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC and seven resolutions were considered and approved.
3. On August 28, 2021, the tenth meeting of the second session of the Board of Supervisors was held through communication facilities, and one resolution was considered and approved.

(II) Attending Board meetings and general meetings

1. On April 25, 2021, the Board of Supervisors attended the eighth meeting of the second session of the Board held at the Conference Room, 6/F, Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC.
2. On May 10, 2021, the Board of Supervisors attended the 2021 first extraordinary general meeting held at the Conference Room, 6/F, Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC.
3. On June 5, 2021, the Board of Supervisors attended the ninth meeting of the second session of the Board held at the Conference Room, 6/F, Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC.

4. On June 25, 2021, the Board of Supervisors attended the 2020 annual general meeting held at the Conference Room, 6/F, Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC.

II. INDEPENDENT OPINIONS OF THE BOARD OF SUPERVISORS ON MATTERS RELATING TO THE OPERATION AND MANAGEMENT OF THE COMPANY FOR 2021

(I) Basic evaluation of the operation and management plus performance for 2021

From the perspective of effectively safeguarding the interests of the Company and the rights and interests of Shareholders, the Board conscientiously performed its supervisory duties. The Board of Supervisors was of the view that the Board had conscientiously implemented the resolutions of the general meetings and diligently performed its duties. The resolutions were in compliance with the Company Law and the Articles of Association, without detriment to the interests of the Company and the Shareholders. The management of the Company conscientiously implemented the Board resolutions, without incurring illegal and unlawful acts in the operation, and successfully completed the business plans formulated at the beginning of the year.

(II) Inspection of the Company's financial position

During the reporting period, the Board of Supervisors carefully supervised, inspected and audited the financial position and the financial management system of the Company. It was concluded that the Company had a sound financial system, a perfect financial management system and standardized financial operations, and there were no false records or material omissions. KPMG audited the Company's 2021 financial report and issued a "standard unqualified" auditor's report, which truly and accurately reflected the financial position and operating results of the Company.

(III) Use of proceeds

During the reporting period, the Board of Supervisors effectively supervised the use and management of the Company's proceeds and was of the opinion that the Company could rationally use and effectively manage the proceeds in strict accordance with the investment agreements made and entered into with the investment institutions. The use of the proceeds was legal and compliant, and the actual investment projects of the proceeds were consistent with the committed investment projects. There were no changes in the use of proceeds or acts that were detrimental to the interests of Shareholders.

(IV) Related party transactions

During the reporting period, the related party transactions of the Company were tailored to the operation and development needs of the Company, with legal and compliant decision-making procedures and fair pricing. There were no acts that were detrimental to the interests of the Company and its Shareholders, particularly minority Shareholders, which served the overall interests of the Company and all Shareholders.

(V) Acquisition and disposal of assets

The verification of the Company's transactions reveals that there were no material acquisitions or disposals of assets during the reporting period.

(VI) Opinions on the evaluation of the Company's internal control

The Board of Supervisors carefully reviewed the Board's 2021 Evaluation Report on Internal Control and the construction and operation of the Company's internal control system and was of the opinion that: the Company had established a relatively sound and reasonable internal control system and implemented it in operation activities. The Company's 2021 self-evaluation report of internal control truly and completely reflects the current status of the Company's internal control and the main aspects to be improved, and raises no objection to the Board's Self-Evaluation Report on Internal Control.

III. HIGHLIGHTS OF THE WORK OF BOARD OF SUPERVISORS IN 2022

Within the spectrum of duties set forth in the Company Law and the Articles of Association, the Board of Supervisors will earnestly perform its due functions with an objective and impartial attitude and in a realistic and practical manner, to safeguard the rights and interests of Shareholders. It will increase its daily attention to and supervision of the Directors, managers and other senior management in performing their duties, executing resolutions and complying with regulations and systems, and promote the smooth reform and innovation plus operation of the Company. According to the Company's 2022 operation objectives and priorities, the Board of Supervisors will focus on the following tasks:

(I) Supervision and inspection of decision-making on major matters

By attending the meetings of the Board and the general manager office, we understand the process of making relevant major decisions, and check whether the Company's decision-making procedures comply with the provisions of laws and regulations, and whether the Directors and senior management of the Company make decisions prudently and perform duties diligently. We approve, assist and procure the Board and the management to make decisions by following the procedures, to ensure the achievement of the Company's annual business objectives.

(II) Strengthening inspection and execution

Our inspection focuses on the fulfillment of the policies of relevant units and management departments of the Company, particularly the handling of certain key links, key parts and more prominent issues. For example, we strengthen the control of accounts receivable and payable and establish a feasible reconciliation system; strengthen the management of operational foreign investment to control the Company's operational risks; check whether the Company's financial work is in strict compliance with national accounting policies, systems and regulations, and whether financial accounting is carried out in a timely and accurate manner based on the financial system and accounting standards; check whether the transaction prices of the Company's acquisition and disposal of assets are reasonable, and whether there is any insider trading or damage to the rights and interests of certain Shareholders, causing losses to the Company's assets, etc.

(III) Supervising and inspecting the performance of duties by the management

We check whether the Directors and senior management of the Company make decisions prudently and work perform duties diligently and faithfully; whether there is any violation of laws, regulations, the Articles of Association or damage to the interests of the Company in performing their duties.

(IV) Strengthening the self-construction of the Board of Supervisors

It takes a good blacksmith to make steel. The business level of the Supervisors is an important guarantee for the performance of their duties. In the year ahead, all members of the Board of Supervisors will further strengthen the learning of financial, legal and business knowledge and the study of relevant laws and regulations of listed companies, to continuously improve our ability to perform our duties.

On behalf of the Supervisory Committee

Mr. WANG Xinghua

Chairman of Board of Supervisors

CANDIDATE FOR NON-EXECUTIVE DIRECTORS (CONCURRENTLY AS THE
CHAIRMAN)

Mr. WANG Jianguo, aged 61, is the founder of our Group and has been the Chairman of the Board and a Non-Executive Director of our Company since November 2015. He is mainly responsible for convening and chairing general meetings and Board meetings and presiding over the decision-making of external affairs and strategic development of our Group.

Mr. Wang has over 20 years of experience in retail business and corporate management. He worked at the Department of Commerce of Jiangsu Province (江蘇省商業廳) from July 1981 to April 1993 and served as the general manager of Jiangsu Wujiaohua Corporation (江蘇省五金交電化工總公司), a state-owned company mainly engaged in the sales of home appliances, where he was primarily responsible for its overall management from April 1993 to June 2002. He served as the chairman and the president of Jiangsu Five Star Appliance Co., Ltd. (江蘇五星電器有限公司), a company engaged in the sales of household appliance, from December 1998 to February 2009 and Mr. Wang does not hold any direct or indirect equity interest in Five Star Appliance since February 2009. Mr. Wang has been the chairman of the board of Five Star Holdings Co., Ltd. (五星控股集團有限公司) (“**Five Star Holdings**”) since February 2009.

Mr. Wang concurrently serves as the chairman of Kidswant Children Products Co., Ltd. (孩子王兒童用品股份有限公司), a company engaged in the sales and service of maternal and children products which is listed on the ChiNext, stock code: 301078) since June 2012. He also serves as an independent non-executive director at Honma Golf Limited (本間高爾夫有限公司), a company listed on the Hong Kong Stock Exchange (stock code: 6858), and Simcere Pharmaceutical Group Limited (先聲藥業集團有限公司), a company listed on the Hong Kong Stock Exchange (stock code: 2096), since September 2016 and November 2019, respectively.

Mr. Wang obtained a master’s degree in Business Management from The Australian National University in Australia upon completion of the Executive Master of Business Administration (“**EMBA**”) programme in July 2004. He completed all the requirements prescribed by Shanghai Advanced Institute of Finance for the DBA (Doctor of Business Administration) in Global Finance Program (上海高級金融學院全球金融DBA項目) in July 2018. He also obtained a Ph.D. in Business Administration in Global Finance from Arizona State University, U.S.A. in May 2018.

Mr. Wang has been the vice chairman of Jiangsu General Chamber of Commerce since December 2014. He was awarded the Service Industry Professional Special Contribution Award (服務業專業人才特別貢獻獎) by Jiangsu Provincial People’s Government in October 2014. He was also granted the Outstanding Achievement Award by the China Chain Store & Franchise Association (中國連鎖業成就獎) in November 2012. He was elected as the Model Worker of the National Business System (全國商務系統勞動模範) by the Ministry of Personnel and the Ministry of Commerce of the PRC in 2007.

As of the Latest Practicable Date, Mr. Wang holds 39,516,334 H Shares and 114,439,526 Domestic Shares of the Company in the nature of beneficial owner. Meanwhile, Mr. Wang indirectly controlled 99% equity interest in Nanjing Yuanbai Enterprise Management Centre (Limited Partnership) through Five Star Holdings, a company in which Mr. Wang is entitled to exercise approximately 68.43% of the voting rights. Nanjing Yuanbai Enterprise Management Centre (Limited Partnership) holds 2,991,759 H Shares and 8,664,152 Domestic Shares of the Company. Therefore, Mr. Wang is deemed to be interested in the Shares held by Nanjing Yuanbai Enterprise Management Centre (Limited Partnership) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

CANDIDATES FOR EXECUTIVE DIRECTORS

Mr. XU Xiuxian, aged 59, is the co-founder of our Group and has been an Executive Director and the Chief Executive Officer of our Company since its inception. He is mainly responsible for leading the business development of our Group and presiding over the decision-making and execution of the major business, development and investment plans.

Mr. Xu has more than 20 years of experience in retail business and corporate management. Mr. Xu served as the section chief of the Consumer Price Office of the Department of Commerce of Jiangsu Province (江蘇省商業廳物價處), the manager of Jiangsu Wujiaohua Corporation, where he was responsible for the air-conditioning business from March 1993 to November 1998, the general manager of Jiangsu Xingpu Technology Trading Co., Ltd. (江蘇星普科技貿易有限公司), a home appliance trading company, where he was primarily responsible for its overall operation and management from November 1998 to December 2004, and an executive vice president of Jiangsu Five Star Appliance Co., Ltd. (江蘇五星電器有限公司) from December 2004 to March 2009.

Mr. Xu graduated from Hangzhou Business School (杭州商學院) (currently known as Zhejiang Gongshang University Hangzhou College of Commerce (浙江工商大學杭州商學院)) in the PRC with a bachelor's degree in Business and Enterprise Management in July 1983. He subsequently completed postgraduate courses in Global Economy at the School of Economics of Fudan University (復旦大學) in Shanghai, the PRC in June 2000 and obtained a master's degree in EMBA at Cheung Kong Graduate School of Business (長江商學院) in Beijing, the PRC in September 2011.

Mr. Xu was recognized for his excellence in leadership and obtained the award of National Trade and Circulation Services Model Workers and Advanced Workers (全國商貿流通服務業勞動模範和先進工作者) in September 2015, and won the 2018 China Electronic Appliances Service Association Outstanding President Award (中國家電服務業省市同業行業協會優秀會長) in January 2019, and was also named one of the China Industrial Internet TOP10 Leaders 2019 (中國產業互聯網十大領軍人物) in July 2019 and obtained the China Electrical Appliances Industry Outstanding Leader Award 2019 (中國家電行業卓越領袖獎) in October 2019.

As of the Latest Practicable Date, Mr. Xu holds 18,295,661 H Shares and 52,984,339 Domestic Shares of the Company in the nature of beneficial owner.

Mr. ZHAO Liangsheng, aged 47, has been an Executive Director of our Company since May 2021, and has been the Chief Financial Officer, the Secretary to the Board and a Vice President of our Company since January 2013. Mr. Zhao is primarily responsible for overseeing our Group's financial affairs and corporate governance.

Mr. Zhao has more than 20 years of experience in financial management. Mr. Zhao served as a project manager of Jiangsu Tianheng Certified Public Accountants Co., Ltd. (江蘇天衡會計師事務所有限公司) (Currently known as Tianheng Certified Public Accountants (Special General Partnership) (天衡會計師事務所(有限合夥)) from July 1998 to April 2004, a financial director in Zhejiang Yulong Industrial Co., Ltd. (浙江裕隆實業股份有限公司), where he was primarily responsible for the overall financial management, from May 2004 to September 2005, an audit manager in Zhengda Tianqing Pharmaceutical Group Co., Ltd. (正大天晴藥業集團股份有限公司), where he was primarily responsible for the internal auditing, from October 2005 to December 2007, a deputy general manager of Nanjing Shangde Investment Management Co., Ltd. (南京上德投資管理有限公司) from 2007 to 2009 and the chief financial officer of Five Star Holdings from 2009 to 2012.

Mr. Zhao has been a certified public accountant conferred by Certified Accounting Examination Committee of the Ministry of Finance (財政部註冊會計考試委員會) since June 2001. Mr. Zhao obtained his bachelor's degree in Business Management (Accounting) from Southeast University (東南大學) in Nanjing, the PRC in June 1998.

CANDIDATES FOR NON-EXECUTIVE DIRECTORS

Mr. WANG Jian, aged 59, has been a Non-executive Director of our Company since November 2015 and is responsible for participating in evaluation and approval of business plans, strategies and major decisions of our Group through the Board.

Mr. Wang Jian has extensive experience in corporate management, consulting and investment management. He currently serves as the president of Five Star Holdings since April 2013. Prior to his current position, Mr. Wang Jian worked at the Department of Commerce of Jiangsu Province (江蘇省商業廳) from July 1984 to November 1998 and worked in Jiangsu Wujiaohua Corporation, with his last position as the general manager where he was primarily responsible for its operation and management from November 1998 to December 2003. He served at Jiangsu Five Star Appliance Co., Ltd. (江蘇五星電器有限公司), and served in various positions including deputy manager, executive vice president and president from December 1998 to March 2013. He also served as the senior vice president of Best Buy Co., Inc., an American multinational consumer electronics corporation which is listed on the New York Stock Exchange (stock code: BBY) from February 2009 to March 2013.

Mr. Wang Jian graduated from the Party School of C.P.C. Jiangsu Committee (江蘇省委黨校) in the PRC with a bachelor's degree in Economics in July 1992. He subsequently completed a postgraduate course in Business Administration at the International Business School of Nanjing University (南京大學國際商學院) in the PRC in June 2000. He obtained a master's degree in Business Administration from the China Europe International Business School (中歐國際商學院) in Shanghai, the PRC and the Tsinghua University (清華大學) in Beijing, the PRC in September 2009 and June 2016, respectively. He also received the Third China Industry Achievement Award (第三屆中國連鎖業成就獎) in October 2012.

As of the Latest Practicable Date, Mr. Wang holds 7,455,912 H Shares and 21,592,364 Domestic Shares of the Company in the nature of beneficial owner.

Mr. CAI Zhongqiu, aged 51, has been a Non-executive Director of our Company since May 2021 and is primarily responsible for participating in evaluation and approval of business plans, strategies and major decisions of our Group through the Board. Mr. Cai served as the investment director in SDIC Chuangyi Industry Fund Management Co., Ltd. (國投創益產業基金管理有限公司) from August 2016 to August 2018 and has been serving as the executive director since August 2018.

Mr. Cai has extensive experience in equity investment and corporate management. Mr. Cai obtained a doctoral degree in Management Engineering in June 2011 from the China University of Mining and Technology (Beijing) (中國礦業大學北京分校) in the PRC.

Mr. WANG Yi, aged 44, has been a Non-executive Director of our Company since May 2021 and is primarily responsible for participating in evaluation and approval of business plans, strategies and major decisions of our Group through the Board. Mr. Wang Yi currently also serves as a senior director at the consumer electronics department of Alibaba Group Holding Limited, a company listed on the Hong Kong Stock Exchange (stock code: 9988) and the New York Stock Exchange (stock code: BABA), since March 2020.

From September 2013 to February 2020, Mr. Wang Yi served as a vice president, the chief financial officer, an executive director, and the general manager of the China business division of TCL Electronics Holdings Limited (TCL 電子控股有限公司), a company listed on the Hong Kong Stock Exchange (stock code: 1070).

Mr. Wang Yi graduated from Jiangxi University of Finance and Economics (江西財經大學) in the PRC with a bachelor's degree in Accounting in July 1998, and obtained an EMBA degree from the China Europe International Business School (中歐國際工商學院) in Shanghai, the PRC in September 2008.

CANDIDATES FOR INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. YU Lixin, aged 56, has been the managing partner of Talent Certified Public Accountants LLP since November 2013. Ms. Yu has been serving as an independent director of DK Electronic Materials Co., Ltd (無錫帝科電子材料股份有限公司) (a company listed on the Growth Enterprise Market of the PRC (stock code: 300842)) since April 2018; an independent director of Jiangsu Efful Science and Technology Co., Ltd. since June 2019; and an independent director of Gstarsoft Co., Ltd. (蘇州浩辰軟件股份有限公司) since November 2020.

From August 1987 to November 2013, Ms. Yu successively served as an audit assistant, project manager, department manager and deputy general manager of Jiangsu Accounting Firm (currently known as Talent Certified Public Accountants LLP). From October 2018 to March 2022, Ms. Yu served as an independent director of Jiangsu Hualan New Pharmaceutical Materials Co., Ltd. (a company listed on the Growth Enterprise Market of the PRC (stock code: 301093)).

Ms. Yu graduated from Soochow University with a bachelor's degree in economics in July 1987. She was accredited as a Chinese Certified Public Accountant by the Chinese Institute of Certified Public Accountants in October 1992.

Mr. LIU Xiangdong, aged 56, has been an Independent Non-executive Director of our Company since May 2021. He is responsible for supervising and providing independent advice to the Board.

Mr. Liu has been working in Renmin University of China (中國人民大學) with his current position as a professor. Currently he is also an independent non-executive director of Shanghai Laiyifen Co., Ltd. (上海來伊份股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603777), since November 2016.

Mr. Liu obtained his bachelor's degree, master's degree and doctoral degree in Economics from Renmin University of China in the PRC in July 1988, July 1991 and June 2002, respectively.

Mr. CHENG Zichuan, aged 39, has been an Independent Non-executive Director of our Company since May 2021 and is responsible for supervising and providing independent advice to the Board. Mr. Cheng currently serves as an assistant president of Leading Hong Kong Holdings Limited (領地香港有限公司), a real estate company, where he has been primarily responsible for the overseas investment and financing business and investor relations, since January 2021.

Mr. Cheng successively served as a manager of China Business Division of ORIX Group, an investment company, from December 2009 to May 2016; a vice president in the investment banking department at ORIX Asia Capital Limited, an investment company, from June 2016 to

October 2017 where he was primarily responsible for the business development in China, the execution of equity investment projects and the management of post-investment companies; and a president of the investment and financing department of Hong Yang Group Company Limited (弘陽集團有限公司), a real estate company, where he was primarily responsible for the investment and financing, from November 2017 to December 2018.

Mr. Cheng graduated from Wuhan University of Technology (武漢理工大學) in the PRC with a bachelor's degree in Automation in June 2004, and obtained a Master of Business Administration at Waseda University in Tokyo, Japan in March 2010.

OVERVIEW

According to the Articles of Association, each term of office of a Director is three years and subject to the provisions of the Articles of Association, a Director may serve consecutive terms if re-elected.

After the appointments of the above-mentioned director candidates are approved at the AGM, the Company will enter into director's service contract with each of them, for a term from the date of approval at the AGM to the expiration of the term of the third session of the Board. Non-executive Directors will not receive their remuneration from the Company during their terms of office. The remuneration of the executive Directors during their terms of office shall be determined in accordance with the remuneration management measures of the Company, which mainly consists of basic remuneration, performance-based remuneration and welfare income, among which, the performance-based remuneration shall be determined mainly based on the operating results of the Group and the individual performance. Each of independent non-executive Directors receives an annual allowance of RMB120,000 from the Company during their terms of office. The Company will disclose the remuneration of the Directors when determined. For details of remuneration, please refer to the annual report to be published by the Company in due course.

Save as disclosed in this circular, as at the Latest Practicable Date, each of the above-mentioned candidates for the Directors has confirmed that he/she: (i) has not held any other directorships in any listed companies, in Hong Kong or overseas, in the last three years, nor any other positions within the Group; (ii) does not have any relationship with any directors, supervisors, senior management, substantial shareholder or controlling shareholder of the Company; (iii) does not have or is deemed to have any interests or short positions in the shares, underlying shares or bonds of the Company or its associated corporation(s) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (iv) there are no other matters relating to his/her appointment that need to be brought to the attention of the Shareholders nor is there any information required to be disclosed pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders or the Hong Kong Stock Exchange.

**APPENDIX V BIOGRAPHICAL DETAILS OF CANDIDATES FOR
THE SUPERVISORS OF THE THIRD SESSION OF
THE BOARD OF SUPERVISORS**

EMPLOYEE REPRESENTATIVE SUPERVISORS

Mr. WANG Xinghua, aged 41, has been the chairman of Board of Supervisors of our Company since November 2015 and is primarily responsible for supervising the Board and overseeing our operations. He also serves as the director of president office of our Company since February 2018, where he is primarily responsible for our Company's strategic management, public affairs, public relations, administration and non-operational supply chain planning. He also concurrently serves as a supervisor of Jiangsu Dachuang Electric Co., Ltd. (江蘇達創電器有限公司), one of our Group's subsidiaries, since January 2013.

Mr. Wang Xinghua has extensive experience in human resources management and administrative management. He worked at the human resources centers in Jiangsu Five Star Appliance Co., Ltd. (江蘇五星電器有限公司) from July 2003 to February 2009, served as a director assistant at the human resources center of Five Star Holdings from March 2009 to December 2011, and served as the director of the human resources center of our Company from January 2012 to February 2018.

Mr. Wang Xinghua obtained a bachelor's degree in Human Resources Management from Nanjing University of Science and Technology (南京理工大學) in the PRC in June 2003. He obtained the Economics Professional Qualification (Intermediate Level) in January 2013 from Nanjing Professional and Technical Qualification Assessment Center (南京市專業技術人員職稱評介中心).

Mr. MAO Yijun, aged 39, has been a Supervisor of our Company since May 2021 and is primarily responsible for supervising the Board and overseeing our operations. He joined our Group in April 2015 and currently serves as the director of the human resources center of our Company since November 2019 and is responsible for the organization, talent acquisition and management, work incentive and cultural affairs of our Company.

Mr. Mao worked in Suning Electric Co., Ltd. (蘇寧電器股份有限公司), a company principally operating franchised retail shops of electronics appliances in China, where he was primarily responsible for the production and marketing from October 2009 to August 2012; and the manager of key customer division of Nanjing Skyworth Household Appliances Co., Ltd. (南京創維家用電器有限公司), a company principally engaged in the R&D and production of household appliances, where he was primarily responsible for the domestic e-commerce business of refrigerators and washing machines of Skyworth, from September 2012 to March 2015.

Mr. Mao graduated from the Northwestern Polytechnical University (西北工業大學) in Xi'an, the PRC with a bachelor's degree in Software Engineering in July 2004.

**APPENDIX V BIOGRAPHICAL DETAILS OF CANDIDATES FOR
THE SUPERVISORS OF THE THIRD SESSION OF
THE BOARD OF SUPERVISORS**

CANDIDATE FOR NON-EMPLOYEE REPRESENTATIVE SUPERVISOR

Mr. LI Wei, aged 45, has been a Supervisor of our Company since June 2020 and is primarily responsible for supervising the Board and overseeing our operations. He also serves as the assistant to the president and CEO of business division of our Company since March 2019.

Mr. Li has over 25 years of experience in retail and distribution business. Mr. Li successively served as the head of the air conditioner business division of Jiangsu Five Star Appliance Co., Ltd. (江蘇五星電器有限公司); a deputy general manager of Jiangsu Xingpu Science and Technology Trading Co., Ltd. (江蘇星普科貿有限公司), a home appliance trading company, where he was primarily responsible for assisting the general manager for the internal management and the sales of air conditioner from October 2002 to February 2009; a general manager of Jiangsu Sanchuang Trading Co., Ltd. (江蘇三創商貿有限公司), a home appliance trading company, where he was primarily responsible for the sales management of air conditioners and washing machines, from March 2009 to September 2014; a general manager of the Sunan branch of our Company from December 2014 to December 2018; and a director of the platform support center of our Company from December 2018 to December 2019.

Mr. Li obtained an associate degree in Marketing from Jiangsu Provincial Party School of the Chinese Communist Party (江蘇省委) in the PRC in October 1998.

As of the Latest Practicable Date, Mr. Li holds 745,591 H Shares and 2,159,237 Domestic Shares of the Company in the nature of beneficial owner.

OVERVIEW

According to the Articles of Association, each term of office of a Supervisor is three years and subject to the provisions of the Articles of Association, a Supervisor may serve consecutive terms if re-elected.

After the appointment of the above-mentioned candidate for non-employee representative Supervisor is approved at the AGM, the Company will enter into a Supervisor's service contract with him, for a term from the date of approval at the AGM to the expiration of the term of the third session of the Board of Supervisors. Meanwhile, the Company will enter into a Supervisor's service contract with each of the above employee representative Supervisors, for the same term as the non-employee representative Supervisor. The remuneration of the Supervisors during their terms of office shall be determined in accordance with the remuneration management measures of the Company, which mainly consists of the basic remuneration, performance-based remuneration and welfare income, among which, the performance-based remuneration shall be determined mainly based on the operating results of

**APPENDIX V BIOGRAPHICAL DETAILS OF CANDIDATES FOR
THE SUPERVISORS OF THE THIRD SESSION OF
THE BOARD OF SUPERVISORS**

the Group and the individual performance. The Company will disclose the remuneration of the Supervisors when determined. For details of remuneration, please refer to the annual report to be published by the Company in due course.

Save as disclosed in this circular, as at the Latest Practicable Date, each of the above-mentioned candidates for the Supervisors has confirmed that he/she: (i) has not held any other directorships in any listed companies, in Hong Kong or overseas, in the last three years, nor any other positions within the Group; (ii) does not have any relationship with any directors, supervisors, senior management, substantial shareholder or controlling shareholder of the Company; (iii) does not have or is deemed to have any interests or short positions in the shares, underlying shares or bonds of the Company or its associated corporation(s) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (iv) there are no other matters relating to his/her appointment that need to be brought to the attention of the Shareholders nor is there any information required to be disclosed pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders or the Hong Kong Stock Exchange.

NOTICE OF THE 2021 ANNUAL GENERAL MEETING



Huitongda Network Co., Ltd. 匯通達網絡股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9878)

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Huitongda Network Co., Ltd. (the “Company”) will be held at 2:00 p.m. on Friday, June 17, 2022 at the Conference Room, 6/F, Huitongda Building, 50 Zhongling Street, Nanjing, Jiangsu Province, the PRC for considering and, if thought fit, adopting the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the 2021 work report of the Board of the Company.
2. To consider and approve the 2021 debriefing report of independent Directors of the Company.
3. To consider and approve the 2021 work report of the Board of Supervisors of the Company.
4. To consider and approve the 2021 final accounts report of the Company.
5. To consider and approve the 2021 profit distribution plan of the Company.
6. To consider and approve the 2022 financial budget report of the Company.
7. To consider and approve the 2022 development and investment plan of the Company.
8. To consider and approve the resolutions on the proposed election of Directors for the third session of the Board of the Company:
 - 8.1 To consider and approve the resolution on the election of Mr. Wang Jianguo as a non-executive Director of the third session of the Board of the Company.
 - 8.2 To consider and approve the resolution on the election of Mr. Wang Jian as a non-executive Director of the third session of the Board of the Company.

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

- 8.3 To consider and approve the resolution on the election of Mr. Cai Zhongqiu as a non-executive Director of the third session of the Board of the Company.
- 8.4 To consider and approve the resolution on the election of Mr. Wang Yi as a non-executive Director of the third session of the Board of the Company.
- 8.5 To consider and approve the resolution on the election of Mr. Xu Xiuxian as an executive Director of the third session of the Board of the Company.
- 8.6 To consider and approve the resolution on the election of Mr. Zhao Liangsheng as an executive Director of the third session of the Board of the Company.
- 8.7 To consider and approve the resolution on the election of Ms. Yu Lixin as an independent non-executive Director of the third session of the Board of the Company.
- 8.8 To consider and approve the resolution on the election of Mr. Liu Xiangdong as an independent non-executive Director of the third session of the Board of the Company.
- 8.9 To consider and approve the resolution on the election of Mr. Cheng Zichuan as an independent non-executive Director of the third session of the Board of the Company.
9. To consider and approve the resolution on the proposed election of Supervisor for the third session of the Board of Supervisors of the Company:
 - 9.1 To consider and approve the resolution on the election of Mr. Li Wei as a non-employee representative Supervisor of the third session of the Board of Supervisors of the Company.
10. To consider and approve the resolution on bank credit and bank loans in 2022.
11. To consider and approve the resolution on provision of guarantee for the financing of subsidiaries in 2022.
12. To consider and approve the resolution on the use of idle self-owned funds to purchase wealth management products in 2022.
13. To consider and approve the resolution on the re-appointment of auditor for 2022.

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

SPECIAL RESOLUTIONS

14. To consider and approve the resolution on the proposed amendments to the Articles of Association of the Company.
15. To consider and approve the proposed granting of a general mandate to the Board to issue H Shares.

By order of the Board
Huitongda Network Co., Ltd.
Chairman
Wang Jianguo

Nanjing, the PRC
May 27, 2022

Notes:

1. The register of members of the Company will be closed from Wednesday, May 18, 2022 to Friday, June 17, 2022 (both days inclusive) for determining the entitlement of Shareholders to attend and vote at the AGM, during which period no transfers of Shares will be registered. To be eligible to attend and vote at the AGM, all completed transfer documents together with the relevant Share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, May 17, 2022 (for H Shareholders) or the Company's domestic Share registrar, being the registered office of the Company, at Huitongda Building, 50 Zhongling Street, Xuanwu District, Nanjing, Jiangsu Province, the PRC (for domestic Shareholders). All Shareholders whose names appear on the register of members of the Company on Friday, June 17, 2022 are entitled to attend and vote at the AGM.
2. A Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote in his/her stead. The proxy need not be a member of the Company but must attend the AGM in person to represent the relevant Shareholder.

The instrument appointing a proxy must be in writing under the hand of the Shareholder or his attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its Director(s) or duly authorized attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization documents must be notarized.

In order to be valid, the proxy form together with the notarized power of attorney or other authorization documents (if any) must be deposited at the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders) or the Company's domestic Share registrar, being the registered office of the Company, at Huitongda Building, 50 Zhongling Street, Xuanwu District, Nanjing, Jiangsu Province, the PRC (for domestic Shareholders) not less than 24 hours before the time fixed for holding the AGM (i.e. before 2:00 p.m. on Thursday, June 16, 2022) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof should they so wish at that time.

3. If the attending Shareholder is a corporation, its legal representative shall present his or her ID card, a valid certificate proving his or her qualification as a legal representative and proof of shareholding; if a proxy is appointed to attend the meeting, such proxy shall present his or her ID card and a written power of attorney issued by the relevant Shareholder in accordance with law.
4. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and article 110 of the articles of association of the Company, subject to certain exceptions, all votes of the Shareholders at the general meetings must be taken by poll. Therefore, voting on the resolutions contained in the Notice of the 2021 Annual General Meeting will be conducted by poll.
5. The AGM is expected to last for half a day. Shareholders or their proxies attending the AGM (and any adjournment thereof) shall produce their identity documents. Shareholders or their proxies attending the AGM shall be responsible for their own traveling and accommodation expenses.
6. For details of the resolutions, please refer to the circular of the Company dated May 27, 2022.

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

Precautions for the AGM

Considering the latest development of the COVID-19, the Company will implement the following preventive and control measures at the AGM to ensure the health and safety of Shareholders attending the AGM.

1. The Company will take a mandatory body temperature check on each Shareholder or proxy at the entrance of the meeting venue. No person whose body temperature exceeds 37.3°C will be allowed to enter the venue.
2. Each Shareholder or proxy is required to wear a mask throughout the meeting.
3. Each Shareholder or proxy is required to complete a health declaration form before entering the meeting venue.
4. No person shall be admitted to the meeting if he/she has any symptoms of the COVID-19 or is under quarantine order.
5. For the sake of pandemic prevention, appropriate distance and space must be maintained. The Company reserves the right to limit the number of attendees at the AGM when necessary to minimize contact.
6. No refreshments or corporate gifts will be served or given out.

Shareholders (in particular those receiving quarantine due to the COVID-19) are requested to appoint any person including the chairman of the AGM as a proxy to attend and vote at the AGM.