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

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

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SINO ICT HOLDINGS LIMITED

芯成科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00365)

MAJOR TRANSACTION FINANCE LEASE ARRANGEMENTS

A letter from the Board is set out on pages 6 to 17 of this circular. A notice convening the special general meeting of Sino ICT Holdings Limited to be held at 9:30 a.m. on Tuesday, 20 December 2022 at Meeting Room 8, 558 Shibo Avenue, Pudong New District, Shanghai, China is set out on pages SGM-1 to SGM-2 of this circular.

PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

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

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

In addition, Shanghai, China, being the location of the SGM, is currently implementing a series of quarantine measures. Such quarantine measures may be adjusted from time to time and it is recommended that attendees should make reference to the latest policies and/or measures published by the local authorisation before planning their journey.

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

Whether or not you intend to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as practicable and in any event not later than forty-eight (48) hours before the time appointed for the holding of the meeting (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting (or any adjournment thereof) should you so desire and in such event the instrument appointing a proxy shall be deemed to be revoked.

1 December 2022

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 11 November 2022 in relation to the Finance Lease Arrangement II
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the Bye-laws of the Company, as amended from time to time
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Sino ICT Holdings Limited (Stock Code: 00365), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Consideration”	the consideration payable by Sino IC Leasing to Sun East Intelligent for the purchase of the Subject Assets II
“controlling shareholder”	as defined in the Listing Rules
“Datong Project”	the 500MW/1000MWh new energy storage power station located in Xinrong District, Datong City, Shanxi Province and operated by Sino New Energy Utilisation (Datong) as at the Latest Practicable Date
“Director(s)”	the director(s) of the Company for the time being
“Equity Interest Pledge Agreement I”	the equity interest pledge agreement dated 5 November 2022 entered into between Sino New Energy Utilisation (Hengqin) and Sino IC Leasing, pursuant to which Sino New Energy Utilisation (Hengqin) pledged the entire equity interest in Sino New Energy Utilisation (Datong) to Sino IC Leasing to secure the due performance by Sino New Energy Utilisation (Datong) of its obligations under the Finance Lease Agreement I
“Equity Interest Pledge Agreement II”	the equity interest pledge agreement dated 11 November 2022 (after trading hours) entered into between Sino New Energy Utilisation (Hengqin) and Sino IC Leasing, pursuant to which Sino New Energy Utilisation (Hengqin) pledged the entire equity interest in Sino New Energy Utilisation (Datong) to Sino IC Leasing to secure the due performance by Sino New Energy Utilisation (Datong) of its obligations under the Finance Lease Agreements

DEFINITIONS

“Finance Lease Agreements”	the Finance Lease Agreement I and the Finance Lease Agreements II
“Finance Lease Agreement I”	the finance lease agreement dated 5 November 2022 entered into between Sino IC Leasing and Sino New Energy Utilisation (Datong), pursuant to which Sino IC Leasing agreed to lease the Subject Assets I to Sino New Energy Utilisation (Datong)
“Finance Lease Agreements II”	the finance lease agreements dated 11 November 2022 (after trading hours) entered into between Sino IC Leasing and Sino New Energy Utilisation (Datong), pursuant to which Sino IC Leasing agreed to lease the Subject Assets II to Sino New Energy Utilisation (Datong)
“Finance Lease Arrangements”	the Finance Lease Arrangement I and the Finance Lease Arrangement II
“Finance Lease Arrangement I”	the transactions contemplated under the Finance Lease Transaction Documents I
“Finance Lease Arrangement II”	the transactions contemplated under the Finance Lease Transaction Documents II
“Finance Lease Purchase Agreement I”	the finance lease purchase agreement entered into among Sino IC Leasing, Sun East Intelligent and Sino New Energy Utilisation (Datong) on 5 November 2022, pursuant to which Sun East Intelligent agreed to sell, and Sino IC Leasing agreed to purchase, the Subject Assets I owned by Sun East Intelligent
“Finance Lease Purchase Agreements II”	the finance lease purchase agreements entered into among Sino IC Leasing, Sun East Intelligent and Sino New Energy Utilisation (Datong) on 11 November 2022 (after trading hours), pursuant to which Sun East Intelligent agreed to sell, and Sino IC Leasing agreed to purchase, the Subject Assets II owned by Sun East Intelligent
“Finance Lease Transaction Documents I”	the Finance Lease Agreement I, the Finance Lease Purchase Agreement I, the Equity Interest Pledge Agreement I, the Pledge Agreement I, the Receivables Pledge Agreement I and the Guarantee Agreement I
“Finance Lease Transaction Documents II”	the Finance Lease Agreements II, the Finance Lease Purchase Agreements II, the Equity Interest Pledge Agreement II, the Pledge Agreements II, the Receivables Pledge Agreement II and the Guarantee Agreements II

DEFINITIONS

“Group”	the Company and its subsidiaries
“Guarantee Agreement I”	the guarantee agreement dated 5 November 2022 entered into between the Company and Sino IC Leasing, pursuant to which the Company agreed to provide a guarantee in favour of Sino IC Leasing to secure the due performance by Sino New Energy Utilisation (Datong) of its obligations under the Finance Lease Agreement I
“Guarantee Agreements II”	the guarantee agreements dated 11 November 2022 (after trading hours) entered into between the Company and Sino IC Leasing, pursuant to which the Company agreed to provide a guarantee in favour of Sino IC Leasing to secure the due performance by Sino New Energy Utilisation (Datong) of its obligations under the Finance Lease Agreements II
“HKFRS(s)”	Hong Kong Financial Reporting Standard(s) issued by the Hong Kong Institute of Certified Public Accountants
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“Latest Practicable Date”	11 November 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“percentage ratios”	as defined in the Listing Rules
“Pledge Agreement I”	the pledge agreement dated 5 November 2022 entered into between Sino IC Leasing and Sino New Energy Utilisation (Datong), pursuant to which by Sino New Energy Utilisation (Datong) agreed to pledge the Subject Assets I to Sino IC Leasing
“Pledge Agreement II”	the pledge agreements dated 11 November 2022 (after trading hours) entered into between Sino IC Leasing and Sino New Energy Utilisation (Datong), pursuant to which by Sino New Energy Utilisation (Datong) agreed to pledge the Subject Assets II to Sino IC Leasing

DEFINITIONS

“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and the region commonly called as Taiwan
“Receivables”	all revenue rights and charging rights of the Datong Project and under the Finance Lease Agreement I and Finance Lease Agreement II and the accounts receivable from the use of the Subject Assets I and Subject Assets II by Sino New Energy Utilisation (Datong) for production and operation
“Receivables Pledge Agreement I”	the receivables pledge agreement dated 5 November 2022 entered into between Sino New Energy Utilisation (Datong) and Sino IC Leasing, pursuant to which Sino New Energy Utilisation (Datong) agreed to pledge the Receivables to Sino IC Leasing to secure the due performance by Sino New Energy Utilisation (Datong) of its obligations under the Finance Lease Agreement I
“Receivables Pledge Agreement II”	the receivables pledge agreement dated 11 November 2022 (after trading hours) entered into between Sino New Energy Utilisation (Datong) and Sino IC Leasing, pursuant to which Sino New Energy Utilisation (Datong) agreed to pledge the Receivables to Sino IC Leasing to secure the due performance by Sino New Energy Utilisation (Datong) of its obligations under the Finance Lease Agreements
“RMB”	renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened to seek the approvals of the Shareholders for the Finance Lease Arrangement II
“SGM Notice”	the notice convening the SGM as set out on pages SGM-1 to SGM-2 of this circular
“Share(s)”	the ordinary share(s) of par value HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Sino IC Leasing”	Sino IC Leasing Co., Ltd.* (芯鑫融資租賃有限責任公司), a limited liability company established under the laws of the PRC

DEFINITIONS

“Sino New Energy Utilisation (Datong)”	Sino New Energy Utilisation (Datong) Energy Technology Co., Ltd.*(中鑫電聯(大同)能源科技有限公司), a company established in the PRC on 9 May 2022 with limited liability and a non-wholly-owned subsidiary of the Company
“Sino New Energy Utilisation (Hengqin)”	Sino New Energy Utilisation (Hengqin) Limited*(中鑫電聯(珠海橫琴)能源科技有限公司), a company established in the PRC with limited liability and a non-wholly-owned subsidiary of the Company
“Sino Xin Ding”	Sino Xin Ding Limited (芯鼎有限公司), a company incorporated in Hong Kong with limited liability and one of the controlling shareholders of the Company which is holding approximately 67.85% of the entire issued share capital in the Company as at the Latest Practicable Date
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Assets I”	certain pieces of machinery and equipment to be leased by Sino IC Leasing to Sino New Energy Utilisation (Datong) under the Finance Lease Agreement I
“Subject Assets II”	certain pieces of machinery and equipment, with net book value of approximately RMB236,012,450, to be leased by Sino IC Leasing to Sino New Energy Utilisation (Datong) under the Finance Lease Agreements II as detailed in the section headed “Information on the Subject Assets II” in this circular
“Transfer Payments”	the First Transfer Payment, the Second Transfer Payment and the Third Transfer Payment
“%”	per cent

* *for identification purposes only*

LETTER FROM THE BOARD



SINO ICT HOLDINGS LIMITED

芯成科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00365)

Executive Directors:

Mr. YUAN I-Pei (*Chairman*)
Mr. XIA Yuan (*Chief Executive Officer*)

Non-executive Directors:

Mr. LI Yongjun
Mr. LI Jinxian

Independent Non-executive Directors:

Mr. WANG Yanxin
Mr. CUI Yuzhi
Mr. BAO Yi
Mr. PING Fan

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Place of Business:

Unit 02-03, 69/F
International Commerce Centre
1 Austin Road West,
Tsim Sha Tsui, Kowloon
Hong Kong

1 December 2022

To the Shareholders

Dear Sirs or Madams

MAJOR TRANSACTION FINANCE LEASE ARRANGEMENTS

INTRODUCTION

Reference is made to the announcements the Company dated 6 November 2022 and 11 November 2022 in respect of the Finance Lease Arrangements.

THE FINANCE LEASE ARRANGEMENT I

Reference is made to the announcement of the Company dated 6 November 2022, regarding a discloseable transaction in relation to the Finance Lease Arrangement I. On 5 November 2022, the Company, Sino New Energy Utilisation (Datong) (a non-wholly-owned subsidiary of the Company), Sino New Energy Utilisation (Hengqin) (a non-wholly-owned subsidiary of the Company), Sun East Intelligent (a wholly-owned subsidiary of the Company) and Sino IC Leasing entered into the Finance Lease Arrangement I, pursuant to which (i) Sino IC Leasing agreed to purchase the Subject Assets I from Sun East Intelligent at the consideration of RMB126,305,000, (ii) Sino IC Leasing agreed to

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lease the Subject Assets I to Sino New Energy Utilisation (Datong) for a term of 60 months, (iii) Sino New Energy Utilisation (Datong) shall have the right to acquire the Subject Assets I at nominal consideration of RMB1,000 upon the end of the lease term and (iv) the Company, Sino New Energy Utilisation (Datong) and Sino New Energy Utilisation (Hengqin) agreed to provide Sino IC Leasing with several security arrangements for the Finance Lease Agreement I.

THE FINANCE LEASE ARRANGEMENT II

The Board is pleased to announce that, on 11 November 2022 (after trading hours), the Company, Sino New Energy Utilisation (Datong) (a non-wholly-owned subsidiary of the Company), Sino New Energy Utilisation (Hengqin) (a non-wholly-owned subsidiary of the Company), Sun East Intelligent (a wholly-owned subsidiary of the Company) and Sino IC Leasing entered into the Finance Lease Arrangement II, pursuant to which (i) Sino IC Leasing agreed to purchase the Subject Assets II from Sun East Intelligent at a total consideration of RMB236,012,450, (ii) Sino IC Leasing agreed to lease the Subject Assets II to Sino New Energy Utilisation (Datong) for a term of 60 months, (iii) Sino New Energy Utilisation (Datong) shall have the right to acquire the Subject Assets II at nominal consideration of RMB1,000 upon the end of the lease term and (iv) the Company, Sino New Energy Utilisation (Datong) and Sino New Energy Utilisation (Hengqin) agreed to provide Sino IC Leasing with the security arrangement as detailed in the paragraph headed “Security Arrangements for the Finance Lease Agreement II” in this circular. The Group shall recognise the Subject Assets II as right-of-use assets in the consolidated financial statements in accordance with HKFRSs.

(a) Principal terms of the Finance Lease Purchase Agreements II

Date	11 November 2022 (after trading hours)
Parties	(i) Sino New Energy Utilisation (Datong) (as the user); (ii) Sino IC Leasing (as the purchaser); and (iii) Sun East Intelligent (as the seller)
Consideration	The total Consideration payable by Sino IC Leasing to Sun East Intelligent is RMB236,012,450.
Basis of determination of the Consideration	The total Consideration of the Subject Assets II was determined after arms’ length negotiations between parties to the Finance Lease Purchase Agreements II with reference to the prevailing market price of the Subject Assets II.
Purchase Down Payment	The down payment payable by Sino IC Leasing to Sun East Intelligent shall be RMB25,612,450 (the “ Purchase Down Payment ”).

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Payment arrangement of the Consideration

To simplify the repayment process of the Purchase Down Payment and the Lease Down Payment (as defined below), the Purchase Down Payment shall be payable by Sino New Energy Utilisation (Datong) to Sun East Intelligent directly. As such, Sino IC Leasing shall be deemed to have fulfilled its obligation to pay the Purchase Down Payment to Sun East Intelligent under the Finance Lease Purchase Agreements II, and Sino New Energy Utilisation (Datong) shall be deemed to have paid the Lease Down Payment to Sino IC Leasing under the Finance Lease Agreements II.

Subject to the fulfilment of all of the payment conditions under the Finance Lease Purchase Agreements II, Sino IC Leasing shall pay the remaining Consideration in three tranches: (i) the first transfer payment of RMB47,200,000 (the “**First Transfer Payment**”), (ii) the second transfer payment of RMB106,800,000 (the “**Second Transfer Payment**”) and (iii) the third transfer payment of RMB56,400,000 (the “**Third Transfer Payment**”).

Payment conditions of the Consideration

Sino IC Leasing shall pay the First Transfer Payment within 15 business days upon the satisfaction or waiver (as the case may be) of the following conditions (the “**First Transfer Payment Conditions**”):

- (i) Sino IC Leasing having received the payment proof of the Down Payment paid by Sino New Energy Utilisation (Datong) to Sun East Intelligent;
- (ii) Sino IC Leasing having received the payment request from Sino New Energy Utilisation (Datong);
- (iii) Sino IC Leasing having received the payment proof of capital injection of not less than RMB41,185,000 by Sino New Energy Utilisation (Hengqin) to Sino New Energy Utilisation (Datong);
- (iv) the signing and registration of the Finance Lease Purchase Agreements II;
- (v) Sino IC Leasing having received the procurement agreement entered into between Sun East Intelligent and supplier(s) of the Subject Assets II;
- (vi) the signing and registration of the Receivables Pledge Agreement II, Equity Interest Pledge Agreement II and Pledge Agreements II;

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- (vii) Sino IC Leasing having received the ownership certificates and registration proof in relation to condition (vi) above;
- (viii) Sino IC Leasing having received the shareholders' approval of Sino New Energy Utilisation (Datong) to approve the Finance Lease Arrangement II and the shareholders' approval of Sino New Energy Utilisation (Hengqin) to approve the pledge in relation to the equity interest of Sino New Energy Utilisation (Datong);
- (ix) there having been no situation which causes Sino IC Leasing to be unable to pay the Consideration or achieve its purpose under the Finance Lease Purchase Agreements II due to change in laws and regulations, national macro-control policy or regulatory requirements or other reasons;
- (x) Sino IC Leasing having drawn down the bank facilities used for the payment of the Consideration;
- (xi) there having been no occurrence of event of default by Sino New Energy Utilisation (Datong) and the Company under the Finance Lease Purchase Agreements II, Finance Lease Agreements II and the Guarantee Agreements II or any circumstances which may damage Sino IC Leasing's interests thereunder, or such event of default or circumstance has been resolved or waived by Sino IC Leasing; and
- (xii) other guarantee measures (if any) and/or other conditions which may be reasonably required by Sino IC Leasing.

It is expected that the First Transfer Payment will be paid on or before 30 December 2022.

In addition to First Transfer Payment Conditions (ii), (iii) and (xii), Sino IC Leasing shall pay the Second Transfer Payment within 15 business days upon the satisfaction or waiver of the following conditions:

- (i) the payment conditions of the First Transfer Payment having been fulfilled and remaining valid; and
- (ii) the aggregate amount of the capital of Sino New Energy Utilisation (Datong) in place shall be not less than RMB82,370,000.

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It is expected that the Second Transfer Payment will be paid on or before 10 March 2023.

In addition to First Transfer Payment Conditions (ii) and (xii), Sino IC Leasing shall pay the Third Transfer Payment within 15 business days upon the satisfaction or waiver of the following conditions:

- (i) the payment conditions of the Second Transfer Payment having been fulfilled and remaining valid;
- (ii) Sino IC Leasing having received and verified the proof of delivery and proof of passing of inspection in relation to Subject Assets II; and
- (iii) passing of (1) 10 days after the acceptance of the onsite commissioning and grid connection completion of the Subject Assets II by Sino New Energy Utilisation (Datong), or (2) three months after the acceptance of the power-on performance commissioning by Sino New Energy Utilisation (Datong), or (3) 3 months after the arrival of the last batch of the Subject Assets II at the place of delivery designated by Sino IC Leasing (whichever is earlier).

The payment of the Consideration is also subject to the payment conditions that all Transfer Payments shall be used by Sun East Intelligent for the procurement of the Subject Assets II from its supplier(s) and the Subject Assets II shall be used for the Datong Project.

Transfer of ownership of the Subject Assets II

The ownership of the Subject Assets II shall be completely transferred to Sino IC Leasing when Sino IC Leasing pays the First Transfer Payment.

(b) Principal terms of the Finance Lease Agreements II

Date	11 November 2022 (after trading hours)
Parties	(i) Sino New Energy Utilisation (Datong) (as the lessee); and (ii) Sino IC Leasing (as the lessor)

LETTER FROM THE BOARD

Lease Down payment	The down payment payable by Sino New Energy Utilisation (Datong) to Sino IC Leasing shall be RMB25,612,450 (the “ Lease Down Payment ”), which is payable within 10 days of the signing of the Finance Lease Agreements II through wire transfer. As disclosed above in the paragraph headed “Payment arrangement of the Consideration”, Sino New Energy Utilisation (Datong) shall be deemed to have paid the Lease Down Payment to Sino IC Leasing under the Finance Lease Agreements II when Sino New Energy Utilisation (Datong) pays the Purchase Down Payment to Sun East Intelligent under the Finance Lease Purchase Agreements II.
Lease principal amount	The lease principal amount payable by Sino New Energy Utilisation (Datong) to Sino IC Leasing shall be RMB210,400,000.
Lease interest amount	<p>The lease interest rate is a floating interest rate calculated with reference to the loan prime rate of one-year loan published by the National Interbank Funding Center from time to time (“LPR”), which will be adjusted every three months from the respective lease commencement period based on the then prevailing LPR.</p> <p>With reference to the prevailing LPR as at the Latest Practicable Date, the total lease interest payable by Sino New Energy Utilisation (Datong) to Sino IC Leasing would be approximately RMB46,820,000.</p>
Basis of determination of lease interest	The lease payment (which comprises the lease principal amount and the lease interest amount) and the lease interest rate under the Finance Lease Agreements II were determined after arm’s length negotiations between the parties to the Finance Lease Agreements II with reference to the principal amount of the lease, the prevailing market interest rate for the finance lease of comparable assets to the Subject Assets II, financing risks and service costs during the lease period.
Payment of the lease payment	The payment of the lease payment shall be payable by Sino New Energy Utilisation (Datong) to Sino IC Leasing in 20 instalments, with (i) the first instalment payable upon three months after the payment date of the First Transfer Payment and (ii) the remaining instalments payable by every three months thereafter.
Lease term	The total lease term of the Subject Assets II is 60 months commencing from the date on which Sino IC Leasing pays the First Transfer Payment.

LETTER FROM THE BOARD

Redemption Sino New Energy Utilisation (Datong) shall have the right to acquire the Subject Assets II at a nominal consideration of RMB1,000 upon the end of the lease term under the Finance Lease Agreements II.

(c) Security Arrangements for the Finance Lease Agreements II

The performance of the obligations of Sino New Energy Utilisation (Datong) under the Finance Lease Agreements II are secured by the Pledge Agreements II and the Guarantee Agreements II. In addition, the performance of the obligations of Sino New Energy Utilisation (Datong) under the Finance Lease Agreements are secured by the Equity Interest Pledge Agreement II and the Receivables Pledge Agreement II.

Pursuant to the Pledge Agreements II entered into between Sino New Energy Utilisation (Datong) as pledgor and Sino IC Leasing as pledgee, Sino New Energy Utilisation (Datong) has pledged 20 sets of the liquid-cooled battery containers with an aggregate value of approximately RMB180,010,000, one set of 220kV pre-installed substation with an aggregate value of approximately RMB37,932,450 and (iii) one set of transmission line cables and tower with an aggregate value of RMB18,070,000 in favour of Sino IC Leasing.

Pursuant to the Guarantee Agreements II entered into between the Company as guarantor and Sino IC Leasing as lender, the Company agreed to provide a joint and several liability guarantee to Sino IC Leasing to secure all the obligations, responsibilities, representations and warranties and undertakings to be performed by Sino New Energy Utilisation (Datong) to Sino IC Leasing pursuant to the Finance Lease Agreements II.

Pursuant to the Receivables Pledge Agreement II entered into between Sino New Energy Utilisation (Datong) as pledgor and Sino IC Leasing as pledgee, Sino New Energy Utilisation (Datong) has pledged its entire project revenue right, fee rights and project receivables arising from the use of leased property for production and operation in connection with the Datong Project in favour of Sino IC Leasing.

Pursuant to the Equity Interest Pledge Agreement II entered into between Sino New Energy Utilisation (Hengqin) as pledgor and Sino IC Leasing as pledgee, Sino New Energy Utilisation (Hengqin) has pledged the entire equity interest of Sino New Energy Utilisation (Datong) in favour of Sino IC Leasing.

The pledge period under the Equity Interest Pledge Agreement II, the Pledge Agreements II and the Receivables Pledge Agreement II shall commence from the date of the Finance Lease Agreements II (or the date the pledge takes effect) and be effective until the date on which all payment obligations of Sino New Energy Utilisation (Datong) as secured by the relevant pledge agreements are fully paid and the registration of the relevant pledges has been cancelled. The guarantee period under the Guarantee Agreements II shall commence from the date of the Finance Lease Agreements II and be effective until the second anniversary of the expiry of the term of the Finance Lease Agreements II.

LETTER FROM THE BOARD

(d) Effectiveness of the Finance Lease Transaction Documents

The Finance Lease Arrangement II shall not take effect until the obtaining of the approvals by the Shareholders at the SGM. If the Shareholders do not approve the Finance Lease Arrangement II at the SGM, the Finance Lease Transaction Documents II will not have any legal effect.

THE RIGHT-OF-USE ASSETS IN RESPECT TO THE FINANCE LEASE ARRANGEMENT II

In accordance with HKFRS 16 *Leases*, the Group is required to recognise the leasing of the Subject Assets II as right-of-use assets, and as a result, the entry into the Finance Lease Arrangement II and the transactions contemplated thereunder will be regarded as acquisition of assets by the Group pursuant to the Listing Rules. The aggregate value of the right-of-use assets to be recognised by the Group at the respective lease commencement date in its consolidated financial statements under the Finance Lease Arrangement II is approximately RMB236,012,450, which is calculated based on the aggregated present values of lease payments discounted using the interest rate implicit in the lease, with initial direct costs incurred and lease payments made at or before the lease commencement date.

The transactions contemplated under the Finance Lease Transaction Documents II do not constitute a disposal of assets and will not give rise to any gain or loss to be recorded in the Group's consolidated statement of comprehensive income.

REASONS FOR AND BENEFITS OF THE FINANCE LEASE ARRANGEMENT II

By entering into the Finance Lease Transaction Documents II, the Group can leverage the strong financial strength of Sino IC Leasing to provide financing solutions for accelerating the construction of the Datong Project and to complete the construction, grid connection and production of the Datong Project as soon as possible. The Directors consider that the Finance Lease Arrangement II enables the Group to gain access to the Subject Assets II with less initial cash investment since the lease payment will be made in 20 instalments over the lease period. Therefore, the Group can retain more financial resources for its operations. The terms of the Finance Lease Arrangement II have been agreed upon after arm's length negotiations between the relevant parties. The Directors consider that the terms of the Finance Lease Arrangement II are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE SUBJECT ASSETS II

The Subject Assets II comprise of certain liquid-cooled battery containers, 220kV pre-installed substation, and transmission line cables and towers which will be used by Sino New Energy Utilisation (Datong) for the operation of the Datong Project. As at the Latest Practicable Date, the Subject Assets II do not have any identifiable income stream. The net book value of the Subject Assets II is approximately RMB236,012,450.

LETTER FROM THE BOARD

INFORMATION ABOUT THE PARTIES

The Company and the Group

The Company is a company incorporated in Bermuda with limited liability, and its shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in surface mount technology (SMT) equipment manufacturing and securities investment and is also actively developing an energy storage business and bird detection radar business.

Sino New Energy Utilisation (Datong) and Sino New Energy Utilisation (Hengqin)

Both Sino New Energy Utilisation (Datong) and Sino New Energy Utilisation (Hengqin) are established in the PRC with limited liability and are principally engaged in the energy storage business. As at the Latest Practicable Date, Sino New Energy Utilisation (Datong) is wholly-owned by Sino New Energy Utilisation (Hengqin), and Sino New Energy Utilisation (Hengqin) is indirectly owned as to approximately 51% by the Company and directly owned as to 49% by Shenzhen Qianhai Dongfang New Energy Co., Ltd.* (深圳前海東方新能源有限公司), which is in turn owned as to approximately 51% and 49% by Mr Guo Ge* (郭歌) and Mr Hu Hua* (胡華) (both being third parties independent of the Company and its connected persons), respectively.

Sun East Intelligent

Sun East Intelligent is a company established in PRC with limited liability. It is a wholly-owned subsidiary of the Company. It is engaged in SMT equipment manufacturing business and provides customers with SMT and semiconductor packaging equipment solutions and financial solutions.

Sino IC Leasing

Sino IC Leasing is a company established in the PRC with limited liability and is principally engaged in finance leasing and other leasing business. Sino IC Leasing is owned by approximately 13.89% of Zhejiang Honghu Semi-conductor Industrial Group Limited* (浙江鴻鵠半導體產業集團有限公司) (“**Zhejiang Honghu Semi-conductor**”) and approximately 86.11% by 18 other entities, amongst which, no individual entity owned over 10% equity interest in Sino IC Leasing.

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

- (i). Zhejiang Honghu Mingrui Corporate Management Limited* (浙江鴻鵠明睿企業管理有限責任公司) is the general partner of Jiaxing Haizhixin and is owned as to 40% by Honghu Yuanzhi, which is in turn owned by Haizhixin (Zhuhai Hengqin) Corporate Management Consulting Co., Ltd.* (海之芯(珠海橫琴)企業管理諮詢有限責任公司) (“**Haizhixin Zhuhai Hengqin**”) and Honghu (Zhuhai Hengqin) Corporate Management Partnership

LETTER FROM THE BOARD

(Limited Partnership)* (鴻鵠(珠海橫琴)企業管理合夥企業(有限合夥)) (“**Honghu Zhuhai Hengqin**”), Haizhixin Zhuhai Hengqin and Honghu Zhuhai Hengqin are owned by several natural persons, amongst whom, no individual natural person owned over 20% equity interest;

- (ii). Jiaxing Haizhixin is owned as to approximately 37.92% collectively by Jiaxing Municipal Government Equity Investment Fund Co., Ltd.* (嘉興市政府股權投資基金有限公司) (“**Jiaxing Municipal Government Fund**”) and Haining City Industrial Investment Group Co., Ltd.* (海寧市實業產業投資集團有限公司) (“**Haining City Industrial**”), being the single largest group of limited partners of Jiaxing Haizhixin and investment platforms through which the governments of Jiaxing City and Haining City (a county-level city under the jurisdiction of Jiaxing City) jointly invest in Jiaxing Haizhixin; and
- (iii). The ultimate beneficial owners of Jiaxing Municipal Government Fund and Haining City Industrial are the Financial Bureau of Jiaxing City* (嘉興市財政局) and the State-owned Assets Supervision and Administration Office of People’s Government of Haining City* (海寧市人民政府國資委), respectively.

UNIC Capital Management Co., Ltd.* (中青芯鑫(蘇州工業園區)資產管理有限責任公司) (“**UNIC Capital**”) is indirectly interested in approximately 50.1% equity interest of Sino Xin Ding. UNIC Capital is owned as to approximately 49.5% by Sino IC Leasing and approximately 49.0% by Zhongqing Xintou Holding Co. Ltd.* (中青信投控股有限責任公司). As confirmed by Sino IC Leasing, as at the Latest Practicable Date, UNIC Capital is not a subsidiary of Sino IC Leasing.

Mr. Yuan I-Pei, an executive Director and the chairman of the Board, is an executive vice president of Sino IC Leasing; Mr. Xia Yuan, an executive Director and chief executive officer of the Company, is an executive vice president of Sino IC Leasing. In view of both Mr. Yuan I-Pei and Mr. Xia Yuan’s positions in Sino IC Leasing, for the avoidance of any potential conflict of interest, the afore-mentioned Directors have abstained from voting at the meeting of the Board in relation to the approval of the Finance Lease Arrangement II. In addition, non-executive Directors of the Company, Mr. Li Yongjun and Mr. Li Jinxian have also abstained from voting at the meeting of the Board in relation to the approval of the Finance Lease Arrangement II to avoid potential conflict of interest from a good corporate governance perspective.

As disclosed above, to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, Sino IC Leasing and its ultimate beneficial owners are not connected persons of the Company.

IMPLICATIONS UNDER THE LISTING RULES

Since the Finance Lease Arrangements were entered into with Sino IC Leasing, of similar nature and within a 12-month period, the Finance Lease Arrangement I shall be aggregated with the Finance Lease Arrangement II for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratio(s) in respect of the

LETTER FROM THE BOARD

Finance Lease Arrangements exceed(s) 25% but is less than 75%, the entering of the Finance Lease Arrangement II constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and shareholders' approval requirements of the Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, save for Sino Xin Ding which is owned as to approximately 50.1% by UNIC Capital which is in turn owned as to approximately 49.5% by Sino IC Leasing, no other shareholder has a material interest in the Finance Lease Arrangements and accordingly, no Shareholder save for Sino Xing Ding and its close associate is required to abstain from voting at the SGM for the approval of the Finance Lease Arrangement II, the Finance Lease Transaction Documents II and the transactions contemplated thereunder.

SGM

The SGM Notice convening the SGM to be held at 9:30 a.m. on Tuesday, 20 December 2022 at Meeting Room 8, 558 Shibo Avenue, Pudong New District, Shanghai, China (or any adjournment thereof) is set out on pages SGM-1 to SGM-2 of this circular.

A form of proxy for the SGM is enclosed herewith. Whether or not you are able to attend the SGM, Shareholders are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable and in any event not later than forty-eight (48) hours before the time appointed for the holding of the SGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude a Shareholder from attending and voting in person at the SGM (or any adjournment thereof) should he/she so desire and in such event the instrument appointing a proxy shall be deemed to be revoked.

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

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 15 December 2022 to Tuesday, 20 December 2022 (both days inclusive) for determining the identity of the Shareholders who are entitled to attend and vote at the SGM. No transfer of Shares and/or exercise of the outstanding Share Options and/or the conversion of the outstanding Convertible Bonds will be registered during this period. Shareholders whose name appear on the register of members of the Company on Tuesday, 20 December 2022 shall be entitled to attend and vote at the SGM. In order to be eligible to attend and vote at the SGM, unregistered holders of the Shares should ensure that all

LETTER FROM THE BOARD

transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 14 December 2022.

RECOMMENDATIONS

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

WARNING NOTICE

Shareholders and potential investors of the Company should note that the Finance Lease Arrangement II may or may not proceed as it is subject to a number of conditions, which may or may not be fulfilled. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
Yuan I-Pei
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the six months ended 30 June 2022, the financial years ended 31 December 2021, 31 December 2020 and 31 December 2019 are disclosed in the following documents which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.sino-ict.com>):

- interim report of the Company for the six months ended 30 June 2022 published on 29 September 2022 (pages 3 to 18)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0929/2022092901010.pdf>

- annual report of the Company for the year ended 31 December 2021 published on 28 April 2022 (pages 68 to 183)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042800768.pdf>

- annual report of the Company for the year ended 31 December 2020 published on 29 April 2021 (pages 71 to 165)

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

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

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

2. INDEBTEDNESS STATEMENT

At the close of business on 31 October 2022, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had a banking facility with a credit limit exposure of RMB135 million from Agricultural Bank of China, which is secured by properties of the Group located at Fuyong Street, Baoan District, Shenzhen. As at 31 October 2022, the Group has utilised banking facility of RMB98,790,000.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and the payables arising from the normal course of business, at the close of business on 31 October 2022, the Group did not have any debt capital issued and outstanding or agreed to be issued, bank loans or overdrafts, or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits, debt securities, pledges, mortgages, charges, guarantees or contingent liabilities.

3. WORKING CAPITAL STATEMENT

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

4. FINANCIAL AND TRADING PROSPECTS

As the Company entered the second half of 2022, the global economic slowdown continues and the pandemic has had a significant impact on companies of all sizes. The Group is cautious about the future development of the economy and the industry. We will focus on stabilising our core SMT and semiconductor equipment manufacturing and related businesses, consolidating our strength in independent research and development to enhance our brand influence and competitiveness, and at the same time seizing the opportunity to actively develop energy storage and radar-related businesses to increase our profit stream and create greater value for our Shareholders.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(i) Interests and short positions of Directors in the Company

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

(ii) Interest of substantial shareholders in the Company

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

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

Notes:

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

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

3. COMPETING BUSINESS INTERESTS OF DIRECTORS

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

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

As at the Latest Practicable Date, none of the Directors had any interest, either direct or indirect, in any assets which had been, since 31 December 2021 (the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group. None of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

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

6. MATERIAL ADVERSE CHANGE

As disclosed in the profit warning announcement and the interim results announcement of the Company dated 19 August 2022 and 31 August 2022 respectively, the Group has recorded a loss attributable to equity holders of the Company of approximately HK\$1,862,000 for the six months ended 30 June 2022, which was mainly attributable to the (i) establishment of joint ventures and subsidiaries in the first half of this year which resulted in an increase in related expenses; (ii) foreign exchange losses resulting from exchange rate fluctuations; (iii) decrease in gains from investment in securities and (iv) the impact of the pandemic COVID-19 on the SMT equipment manufacturing business of the Group.

As at the Latest Practicable Date, save as disclosed above, the Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2021, being the date to which the latest published audited financial statements of the Group was made up.

7. LITIGATION

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

8. MATERIAL CONTRACTS

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

- (a) the capital increase agreement dated 1 April 2021 entered into among, Sino ICT Investment Holding Co. Limited (an indirectly wholly-owned subsidiary of the Company) (“**Sino ICT Investment**”) and Sino IC Leasing, pursuant to which Sino ICT Investment (as seller) had conditionally agreed to sell, and Sino IC Leasing (as purchaser) has conditionally agreed to purchase, the 48% equity interest of Sino IC (Shenzhen) Leasing Co., Ltd.* (芯鑫融資租賃(深圳)有限責任公司) at the consideration of RMB211,110,295.37, as detailed in the announcement the Company dated 1 April 2021;
- (b) the capital increase agreement dated 6 May 2021 entered into among Sino IC Leasing, UNIC Capital, Shanghai Bangle Industrial Development Co., Ltd.* (上海邦樂實業發展有限公司), Huxin (Shanghai) Industrial Co., Ltd.* (滬芯(上海)實業有限公司) (“**Huxin Industrial**”) and Sino ICT (Shaoxing) Co., Ltd.* (芯成科技(紹興)有限公司) (an indirect wholly-owned subsidiary of the Company) (“**Sino ICT (Shaoxing)**”) entered into, pursuant to which, Sino ICT (Shaoxing) has agreed to subscribe the additional registered capital of RMB7 million (equivalent to approximately HK\$8.38 million) of Huxin Industrial, as detailed in the announcement the Company dated 6 May 2021; and

- (c) the Finance Lease Transaction Documents I, as detailed in the announcement the Company dated 6 November 2022.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of each of the Finance Lease Agreement I and the Finance Lease Transaction Documents II will be published on both the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.sino-ict.com) for a period of 14 days from the date of this circular.

10. MISCELLANEOUS

- (a) The secretary of the Company is Mr. Liu Wei, who is a member of The Hong Kong Institute of Chartered Secretaries.
- (b) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (c) The head office and principal place of business of the Company is Unit 02-03, 69/F International Commerce Centre, 1 Austin Road West, Tsim Sha Tsui, Kowloon, Hong Kong.
- (d) The Company's branch share registrar and transfer office in Hong Kong is Tricor Tengis Limited and is situated at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (e) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

NOTICE OF SPECIAL GENERAL MEETING



SINO ICT HOLDINGS LIMITED

芯成科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 00365)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Sino ICT Holdings Limited (the “**Company**”) will be held at 9:30 a.m. on Tuesday, 20 December 2022 at Meeting Room 8, 558 Shibo Avenue, Pudong New District, Shanghai, China (or any adjournment thereof), for the purpose of considering, if thought fit, passing the following resolution as ordinary resolution of the Company. Unless otherwise defined, capitalised terms used herein shall have the same meanings as in the circular of the Company dated 1 December 2022 (the “**Circular**”).

ORDINARY RESOLUTION

“**THAT:**

1. (a) the Finance Lease Transaction Documents II and the transactions contemplated thereunder are hereby approved, confirmed and ratified; and
- (b) any Director be and is hereby authorised to do such acts and things, to sign and execute all such further documents and to take such steps as he may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Finance Lease Transaction Documents II and the transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and to agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith.”

Yours faithfully,
On behalf of the Board
Sino ICT Holdings Limited
Yuan I-Pei
Chairman

Hong Kong, 1 December 2022

NOTICE OF SPECIAL GENERAL MEETING

Notes:

- (1) Under the current circumstance of the outbreak of the coronavirus (COVID-19), certain special measure will be implemented by the Company at the special general meeting (the “SGM”) in order to reduce the risk of infection, including: (i) compulsory body temperature check/screening; (ii) wearing of surgical face masks throughout the SGM; and (iii) keeping social distancing of at least 1.5 metres. In addition, Shanghai, China, being the location of the SGM, is currently implementing a series of quarantine measures. Such quarantine measures may be adjusted from time to time and it is recommended that attendees should make reference to the latest policies and/or measures published by the local authorisation before planning their journey. **For the health and safety of Shareholders, it is highly recommended that Shareholders exercise their voting rights at the SGM by appointing the Chairman of the SGM as their proxy and return their proxy forms by the time specified below, instead of physical attending in person at the SGM.**
- (2) A Shareholder of the Company entitled to attend and vote at the SGM is entitled to appoint another person as his proxy to attend and, subject to the provisions of the Bye-laws of the Company, vote on his behalf. A Shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a Shareholder of the Company.
- (3) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If the appointer is a corporation, then the instrument shall be signed under seal or under hand of an officer, attorney or other person authorised in writing.
- (4) In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, must be deposited at the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than forty-eight (48) hours before the time appointed for the holding of the SGM or any adjournment thereof in order for such documents to be valid. Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person should he so desire and in such event the instrument appointing a proxy shall be deemed to be revoked.
- (5) For the purposes of determining the entitlements of the Shareholders of the Company to attend and vote at the SGM, the register of members of the Company will be closed from Thursday, 15 December 2022 to Tuesday, 20 December 2022 (both days inclusive), during which period no transfers of Shares will be registered. In order to qualify for the aforesaid entitlements, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Wednesday, 14 December 2022.
- (6) As at the date hereof, the Board comprises:

Executive Directors:

Mr. Yuan I-Pei (*Chairman*)
Mr. Xia Yuan (*Chief Executive Officer*)

Non-executive Directors:

Mr. Li Yongjun
Mr. Li Jinxian

Independent Non-executive Directors:

Mr. Wang Yanxin
Mr. Cui Yuzhi
Mr. Bao Yi
Mr. Ping Fan