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

If you have sold or transferred all your shares in Shoucheng 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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首程控股有限公司
SHOUCHENG HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 697)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,
RE-ELECTION OF RETIRING DIRECTORS AND
APPOINTMENT OF DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of the AGM of Shoucheng Holdings Limited to be held at 10:00 a.m. on Thursday, 25 May 2023 at Shougang Qiaomengyuan, 68 Shijingshan Road, Shijingshan District, Beijing, China is set out in Appendix IV to this circular. Whether or not you are able to attend the meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, 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 48 hours before the time appointed for holding the meeting (i.e., at or before 10:00 a.m. on Tuesday, 23 May 2023 (Hong Kong Time)), or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting (as the case may be) should you so wish.

24 April 2023

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 10:00 a.m. on Thursday, 25 May 2023 at Shougang Qiaomengyuan, 68 Shijingshan Road, Shijingshan District, Beijing, China or any adjournment thereof
“Articles”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board, which was established in December 1998
“Board”	the board of Directors
“close associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Company”	Shoucheng Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules
“core connected person”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 April 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange and any amendments thereto
“Nomination Committee”	the nomination committee of the Board, which was established in February 2005
“PRC”	the People’s Republic of China but excluding, for the purpose of this circular, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Remuneration Committee”	the remuneration committee of the Board, which was established in February 2005
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	subsidiary(ies) for the time being of the Company within the meaning of the Companies Ordinance
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



首程控股有限公司
SHOUCHENG HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 697)

Executive Directors:

Mr. Zhao Tianyang (*Chairman*)
Mr. Xu Liang
Mr. Li Wei
Ms. Zhang Meng

Non-executive Directors:

Mr. Li Hao (*Vice Chairman*)
Mr. Liu Jingwei
Mr. Ho Gilbert Chi Hang

Independent Non-executive Directors:

Dr. Wang Xin
Mr. Choi Fan Keung Vic
Mr. Deng Yougao
Ms. Zhang Quanling
Ms. Zhuge Wenjing

Registered Office:

7th Floor
Bank of East Asia
Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

24 April 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,
RE-ELECTION OF RETIRING DIRECTORS AND
APPOINTMENT OF DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with details regarding the proposals for (i) granting of general mandates to the Directors to issue and buy back Shares; (ii) re-election of retiring Directors; and (iii) appointment of Director; and to give the Shareholders notice of the AGM. Such proposals will be dealt with at the AGM.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

At the AGM, separate ordinary resolutions will be proposed to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding in aggregate 20% of the total number of Shares in issue at the date of passing of such resolution; (ii) to buy back Shares not exceeding 10% of the total number of Shares in issue at the date of passing of such resolution; and (iii) to add the aggregate number of the Shares bought back by the Company to the general mandate to the Directors to allot new Shares of up to 20% of the total number of Shares in issue.

The mandates to issue and buy back Shares granted at the annual general meeting held on 24 May 2022 will lapse at the conclusion of the AGM. Resolutions nos. 6 to 8 set out in the notice of AGM will be proposed at the AGM to renew these mandates. With reference to these resolutions, the Directors wish to state that (i) they have approved a program to buy-back up to HK\$300 million in value of the Shares at a price not exceeding HK\$2.75 per Share from the open market, by way of “on market buy-back”, over a period of two years, commencing 15 February 2022 and ending 14 February 2024 (the “**Share Buy-back Program**”). As at the Latest Practicable Date, approximately HK\$128.75 million in value, representing 68,044,000 Shares, were bought back by the Company; and (ii) they have no present intention to issue any new Shares pursuant to the relevant mandates.

Based on 7,528,737,440 Shares in issue as at the Latest Practicable Date and assuming that there is no change to the number of Shares in issue prior to the AGM, subject to the passing of the relevant ordinary resolutions to approve the mandate to issue Shares at the AGM, the Directors will be authorised to allot and issue up to a limit of 1,505,747,488 Shares under the general mandate to issue Shares.

If approved by the Shareholders at the AGM, the general mandate to issue Shares will continue in force until the earlier of (i) the conclusion of the next annual general meeting of the Company following the passing of the resolution referred to herein; or (ii) the revocation or variation of the general mandate to issue Shares by an ordinary resolution of the Shareholders in general meeting.

The explanatory statement, required by the Listing Rules to be sent to the Shareholders in connection with the proposed general mandate to buy back the Shares (the “**Share Buy-back Mandate**”) is set out in the Appendix I to this circular which contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution.

LETTER FROM THE BOARD

3. RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 102(A) of the Articles, Mr. Li Wei, Ms. Zhang Meng, Dr. Wang Xin and Ms. Zhuge Wenjing will retire by rotation at the AGM and, being eligible for re-election, Dr. Wang Xin and Ms. Zhuge Wenjing will offer themselves for re-election at the AGM. In order to maintain a reasonable number of Board members to ensure efficient decision-making and Board diversity and maintain the overall decision-making quality of the Company, considering that Mr. Li Wei and Ms. Zhang Meng have been playing important roles in the management decision-making body of the Company, and that the roles of the Board and the management decision-making body should be clearly delineated and separated from the perspective of corporate governance, Mr. Li Wei and Ms. Zhang Meng will not offer themselves for re-election and will retire at the conclusion of the AGM.

Each of Dr. Wang Xin and Ms. Zhuge Wenjing, being an Independent Non-executive Director eligible for re-election at the AGM, has made a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee and the Board have assessed the independence of Dr. Wang Xin and Ms. Zhuge Wenjing and are satisfied that each of them has the required character, integrity and experience to continue fulfilling the role of an Independent Non-executive Director and consider each of them to be independent.

Given their respective education background, in-depth experience and practice in particular those of Dr. Wang Xin in accounting, risk management and compliance; and Ms. Zhuge Wenjing in strategic planning, fund management, investment and financing, which allow them to continue to provide valuable and relevant insights and contribute to the diversity of the Board, the Nomination Committee believes that they will continue to contribute effectively to the Board.

Having regard to the board diversity policy and nomination policy adopted by the Company, the Nomination Committee recommended re-election of the aforesaid retiring Directors to the Board. Accordingly, the Board has proposed that the re-election of each of Dr. Wang Xin and Ms. Zhuge Wenjing as a Director is in the interest of the Company and the Shareholders as a whole, and therefore recommends the Shareholders to re-elect each of them as a Director by way of separate ordinary resolution at the AGM.

Details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

4. APPOINTMENT OF DIRECTOR

In accordance with article 105 of the Articles, the Company proposes to appoint Mr. Peng Jihai as a Non-executive Director, subject to the Shareholders' approval by way of separate ordinary resolution to be proposed at the AGM.

Details of the candidate who is proposed to be appointed as a Director at the AGM are set out in Appendix III to this circular.

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING

A notice of the AGM is set out in Appendix IV to this circular. At the AGM, in addition to the ordinary businesses of the meeting, resolutions will be proposed to approve the general mandates for the issue and buy back by the Company of its own Shares. In accordance with the requirements of the Listing Rules, all votes at the AGM will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands.

A form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy and return it to the share registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon as soon as practicable but in any event not later than 48 hours before the time appointed for holding the AGM (i.e., at or before 10:00 a.m. on Tuesday, 23 May 2023 (Hong Kong Time)), or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting (as the case may be) should you so wish.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the relevant resolutions to be proposed at the AGM.

6. RESPONSIBILITY STATEMENT

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

7. RECOMMENDATION

The Directors consider that the proposals for (i) granting of general mandates to the Directors to issue and buy back Shares; (ii) re-election of retiring Directors; and (iii) appointment of Director are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the AGM in respect thereof.

Yours faithfully,
For and on behalf of
Shoucheng Holdings Limited
Zhao Tianyang
Chairman

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the AGM for approving the Share Buy-back Mandate.

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHAREHOLDERS' APPROVAL

All proposed buy-back of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by special approval of a particular transaction. The Company's sole listing is on the Stock Exchange.

2. SOURCE OF FUNDS

Buying back of Shares must be funded out of funds legally available for the purpose in accordance with the Articles and the Companies Ordinance. The Companies Ordinance provides that a company may make a payment in respect of a share buy-back out of the company's distributable profits and/or the proceeds of a fresh issue of shares made for the purpose of the buy-back to such extent allowable under the Companies Ordinance.

3. EXERCISE OF THE SHARE BUY-BACK MANDATE

The Shares proposed to be bought back by the Company must be fully paid up. Under the Listing Rules, the total number of shares which a company is authorised to buy back on the Stock Exchange is shares representing up to a maximum of 10% of the total number of Shares in issue as at the date of the resolution granting such general mandate. Exercise in full of the Share Buy-back Mandate, on the basis of 7,528,737,440 Shares in issue as at the Latest Practicable Date and assuming there is no change to the number of Shares in issue prior to the AGM, could result in up to 752,873,744 Shares, which represents 10% of the total number of Shares in issue as at the Latest Practicable Date, being bought back by the Company during the period from the passing of the resolution granting the Share Buy-back Mandate up to the conclusion of the next annual general meeting of the Company or the expiration of the period within the next annual general meeting of the Company as required by the applicable laws of Hong Kong to be held, or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever occurs first.

4. REASONS FOR THE BUY-BACK

The Directors believe that the Share Buy-back Program reflects the Company's recognition of its own value and its confidence in the long-term prospects of the industry and would, ultimately, benefit the Company and create value to the Shareholders. Further, the Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from Shareholders to enable the Directors to buy-back Shares on the market. Such buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such buy-back will benefit the Company and the Shareholders.

5. FUNDING OF THE BUY-BACK

In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of Hong Kong.

The exercise in full of the Share Buy-back Mandate might have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in its most recent published audited accounts for the year ended 31 December 2022. However, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

6. GENERAL

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates has any present intention, in the event that the Share Buy-back Mandate is approved by the Shareholders to sell the Shares to the Company or its Subsidiaries.
- (b) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.
- (c) If on exercise of the power to buy back Shares pursuant to the Share Buy-back Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for purposes of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Shougang Group Co., Ltd. (首鋼集團有限公司, “**Shougang Group**”) and Beijing State-owned Capital Operation and Management Company Limited (北京國有資本運營管理有限公司, “**BSCOMC**”), both of which are ultimately owned by the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality, through their respective subsidiaries, held approximately 24.14% and 9.67% of the total number of Shares in issue, respectively. In the event that the Share Buy-back Mandate is exercised in full and no further Shares are issued during the proposed buy-back period, the total number of Shares held by Shougang Group and BSCOMC, through their respective subsidiaries, will increase to 26.82% and 10.74% of the total number of Shares in issue, respectively, and their aggregate shareholding interests will increase from approximately 33.81% to approximately 37.57% of the total number of Shares in issue. Accordingly, such increased shareholding interests in the Company will give rise to an obligation to make a mandatory offer for the remaining Shares under Rules 26 and 32 of the Takeovers Code. Save as disclosed, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any Shares buy-backs made under the Share Buy-back Mandate. The Directors have no present intention to exercise the power to buy-back Shares pursuant to the Share Buy-back Mandate to the extent that would trigger such obligation.

In the event that the power to buy-back Shares pursuant to the buy-back resolution is exercised in full, the number of Shares held by the public would not fall below 25%.

- (d) During the six months immediately preceding the Latest Practicable Date, the Company bought back a total of 54,682,000 Shares on the Stock Exchange, details of which are as follows:

Date of Buy-back	Number of Shares Bought back	Price paid per Share	
		Highest HK\$	Lowest HK\$
3 November 2022	200,000	1.53	1.51
7 November 2022	1,520,000	1.57	1.53
27 March 2023	1,466,000	1.87	1.85
28 March 2023	13,540,000	1.91	1.85
29 March 2023	4,108,000	1.93	1.92
30 March 2023	3,384,000	1.97	1.94
31 March 2023	2,452,000	2.00	1.99
3 April 2023	20,000	2.02	2.02
4 April 2023	2,000,000	2.07	2.05
6 April 2023	4,000	2.10	2.10

Date of Buy-back	Number of Shares Bought back	Price paid per Share	
		Highest HK\$	Lowest HK\$
11 April 2023	2,222,000	2.14	2.13
12 April 2023	1,860,000	2.16	2.14
13 April 2023	6,816,000	2.20	2.15
14 April 2023	<u>15,090,000</u>	2.20	2.12
	<u><u>54,682,000</u></u>		

Save as disclosed above, the Company has not bought back any of its Shares in the six months preceding the Latest Practicable Date.

- (e) No core connected person has notified the Company that he or she has a present intention to sell Shares to the Company, and no core connected person has undertaken not to sell any of the Shares held by him or her to the Company, in the event that the Share Buy-back Mandate is approved by the Shareholders.
- (f) The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months were as follows:

	Highest HK\$	Lowest HK\$
2022		
April	1.250	1.000
May	1.170	0.990
June	1.220	1.100
July	1.480	1.060
August	1.410	1.230
September	1.410	1.160
October	1.520	1.177
November	1.650	1.410
December	1.940	1.610
2023		
January	1.970	1.840
February	1.890	1.610
March	2.030	1.610
April (up to the Latest Practicable Date)	2.200	2.000

The following are the particulars of the retiring Directors proposed to be re-elected at the AGM:

1. DR. WANG XIN

Dr. Wang Xin, aged 45, was appointed as an Independent Non-executive Director of the Company on 18 May 2018, and is also a member and the chairman of the Audit Committee of the Company and a member of each of the Nomination Committee and the Remuneration Committee of the Company. He received his Ph.D. degree in Accounting from Duke University in 2006 and obtained a Bachelor degree and a Master degree in Accounting from Tsinghua University in 1999 and 2001 respectively. Dr. Wang is a CPA of CPA Australia. He is a professor of accounting at the Faculty of Business and Economics, The University of Hong Kong (“HKU”). Dr. Wang joined HKU in 2011 and was awarded a tenured position by HKU for his excellent academic performance in 2014. Before he joined HKU, Dr. Wang worked at The Chinese University of Hong Kong from 2006 to 2011. He has research interests in the fields of executive compensation, financial disclosure quality, corporate governance and insider trading. Dr. Wang’s papers were published on various world leading academic journals, such as Journal of Accounting and Economics, The Accounting Review, Contemporary Accounting Research and Review of Accounting Studies. Dr. Wang has teaching experience in several accounting courses, including Introductory Financial Accounting, Intermediate Financial Accounting I and II, and Management Accounting. He also teaches (as one of co-instructors) the Ph.D. course of Research Methods for Business Studies.

An engagement letter was entered into between Dr. Wang and the Company with an initial term commencing on 1 January 2020 and ending on 31 December 2020; such appointment being automatically renewed for successive 12-month periods, subject to retirement by rotation and re-election at least once every three years at annual general meetings of the Company in accordance with the Articles. Under the aforesaid engagement letter, Dr. Wang is entitled to a director’s fee as may be from time to time determined by the Board. The director’s fee currently received by Dr. Wang annually amounts to HK\$430,000. Moreover, Dr. Wang is entitled to an allowance of HK\$3,000 for attending each Board or committee meeting. Such director’s fee was determined by the Board with reference to Dr. Wang’s experience and duties as well as the then prevailing market conditions.

Save as disclosed above, Dr. Wang does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years, does not hold other positions in the Company or its subsidiaries and does not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Dr. Wang had a personal interest in 40,000 Shares and his spouse had a personal interest in 200,000 Shares, in aggregate representing approximately 0.003% of the Shares in issue.

Save as set out above, there is no other matter regarding the re-election of Dr. Wang that needs to be brought to the attention of the Shareholders and there is no other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

2. MS. ZHUGE WENJING

Ms. Zhuge Wenjing, aged 45, was appointed as an Independent Non-executive Director of the Company on 28 May 2021 and is also a member of the Audit Committee of the Company. She obtained a Bachelor degree from Renmin University of China and a Master of Business Administration degree from each of the Kellogg School of Business at Northwestern University in the United States and the Hong Kong University of Science and Technology School respectively. She is currently a director of GLP China Holdings Limited (“GLP”) which is a public limited company incorporated in Hong Kong, an executive vice chairman of GLP China, the chairman of GLP Finance, and the chairman and president of GLP Capital, who is responsible for strategic planning, investment and financing, legal affairs, internal audit and human resources management in China. Ms. Zhuge is also responsible for the business planning and overall operation of GLP Finance and GLP Capital. She has served as the co-president and chief financial officer of GLP China responsible for fund management, capital allocation, mergers and acquisitions and strategic cooperation in China, as well as financial and human resources management. Prior to joining GLP, Ms. Zhuge worked in Morgan Stanley Asset Management Company and Deloitte Touche Tohmatsu.

An engagement letter was entered into between Ms. Zhuge and the Company with an initial term commencing on 28 May 2021 and ending on 31 December 2021; such appointment being automatically renewed for successive 12-month periods, subject to retirement by rotation and re-election at least once every three years at annual general meetings of the Company in accordance with the Articles. Under the aforesaid engagement letter, Ms. Zhuge is entitled to a director’s fee as may be from time to time determined by the Board. The director’s fee currently received by Ms. Zhuge annually amounts to HK\$350,000. Moreover, Ms. Zhuge is entitled to an allowance of HK\$3,000 for attending each Board or committee meeting. Such director’s fee was determined by the Board with reference to Ms. Zhuge’s experience and duties as well as the then prevailing market conditions.

Save as disclosed above, Ms. Zhuge does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years, does not hold other positions in the Company or its subsidiaries and does not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Ms. Zhuge does not have any interests in the Shares.

Save as set out above, there is no other matter regarding the re-election of Ms. Zhuge that needs to be brought to the attention of the Shareholders and there is no other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

The following are the particulars of the candidate proposed to be appointed as Director at the AGM:

MR. PENG JIHAI

Mr. Peng Jihai, aged 53, obtained a Bachelor degree in Agricultural Finance and Credit Specialization from Central Institute of Finance and Banking (now known as Central University of Finance and Economics) in 1993 and obtained a postgraduate diploma in Monetary Banking from Graduate School of Chinese Academy of Social Sciences and an EMBA from Tsinghua University in 1998 and 2017 respectively. Mr. Peng is a CPA of The Chinese Institute of Certified Public Accountants.

Mr. Peng is an executive director, co-chief executive officer and deputy general manager, chief financial officer, head of investment and chief investment officer of Sunshine Insurance Group Company Limited, a company listed on the Stock Exchange. He also serves as the chairman of Sunshine Surety Insurance Company Limited (陽光信用保證保險股份有限公司) and the general manager of Sunshine Asset Management Corporation Limited (陽光資產管理股份有限公司).

Save as disclosed above, Mr. Peng does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years, does not hold other positions in the Company or its subsidiaries and does not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr. Peng does not have any interests in the Shares.

Subject to Shareholders' approval of Mr. Peng's appointment, Mr. Peng will enter into an engagement letter with the Company for a term commencing from the conclusion of the Annual General Meeting (25 May 2023) and ending on 31 December 2023; such appointment being automatically renewed for successive 12-month periods, subject to retirement by rotation and re-election at least once every three years at annual general meetings of the Company in accordance with the Articles. Under the aforesaid engagement letter, Mr. Peng is entitled to a director's fee as may be determined by the Board from time to time. Mr. Peng will be entitled to a director's fee of HK\$310,000 for a full year which will be paid in proportion to the actual length of services provided by him. Moreover, Mr. Peng is entitled to an allowance of HK\$3,000 for attending each Board or committee meeting. Such director's fee was determined by the Board with reference to Mr. Peng's experience and duties as well as the then prevailing market conditions.

Save as set out above, there is no other matter regarding the proposed appointment of Mr. Peng as a Non-executive Director that needs to be brought to the attention of the Shareholders and there is no other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.



首程控股有限公司
SHOUCHENG HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 697)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**AGM**”) of Shoucheng Holdings Limited (the “**Company**”) will be held at 10:00 a.m. on Thursday, 25 May 2023 at Shougang Qiaomengyuan, 68 Shijingshan Road, Shijingshan District, Beijing, China for the following purposes:

1. To receive and adopt the audited financial statements together with the reports of the directors and the independent auditor for the year ended 31 December 2022.
2. To declare a final dividend for the year ended 31 December 2022.
3. To re-elect the following retiring directors as directors of the Company (each as a separate resolution):
 - (a) Dr. Wang Xin as an independent non-executive director; and
 - (b) Ms. Zhuge Wenjing as an independent non-executive director.
4. To appoint Mr. Peng Jihai as a non-executive director of the Company.
5. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorise the directors of the Company to fix the auditor’s remuneration.
6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and it is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) any scrip dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the total number of shares of the Company in issue as at the date of passing this resolution; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws or rules to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or any class thereof (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any territories outside Hong Kong).”

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period of all the powers of the Company to buy back shares in the capital of the Company on The Stock Exchange of Hong Kong Limited, and that the exercise by the directors of all the powers of the Company to buy back such shares subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and it is hereby generally and unconditionally approved;
- (b) in addition, the approval in paragraph (a) above shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to buy back its shares at a price determined by the directors;
- (c) the aggregate number of shares bought back or agreed conditionally or unconditionally to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws or rules to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.”

8. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolution no. 7 as set out in the notice convening this meeting of which this resolution forms part, the aggregate number of shares of the Company which are bought back by the Company pursuant to and in accordance with the said resolution no. 7 shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to and in accordance with resolution no. 6 as set out in the notice convening this meeting of which this resolution forms part.”

By order of the Board
Shoucheng Holdings Limited
Chan Weng Mui
Company Secretary

Hong Kong, 24 April 2023

Notes:

- (1) With respect to resolution no. 3 above, Dr. Wang Xin and Ms. Zhuge Wenjing will retire from office at the above meeting pursuant to the articles of association of the Company and, being eligible, offer themselves for re-election at the above meeting.
- (2) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (3) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer or attorney duly authorised.
- (4) In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with the share registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the meeting (i.e., at or before 10:00 a.m. on Tuesday, 23 May 2023 (Hong Kong Time)), or any adjourned meeting thereof (as the case may be).
- (5) The register of members of the Company will be closed from Monday, 22 May 2023 to Thursday, 25 May 2023 (both days inclusive) to determine the entitlement to attend and vote at the above meeting. During such period no transfer of shares of the Company will be registered. In order to qualify for the entitlement to attend and vote at the above meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, 19 May 2023 for registration.
- (6) Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (7) Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall alone be entitled to vote in respect thereof.