

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 Yincheng International Holding Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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銀城國際控股有限公司

YINCHENG INTERNATIONAL HOLDING CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1902)

**NOTICE OF ANNUAL GENERAL MEETING;
AND
RE-ELECTION OF DIRECTORS;
AND
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES
AND
RE-APPOINTMENT OF THE AUDITOR**

A notice convening the AGM of Yincheng International Holding Co., Ltd. to be held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Tuesday, 30 May 2023 at 9:00 a.m., at which, among other things, the above proposals will be considered, which set out on pages 8 to 11 of this circular.

Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

27 April 2023

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RESPONSIBILITY STATEMENT

This circular, for which the Directors (as defined herein) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules (as defined herein) for the purpose of giving information with regard to the Company. The Directors (as defined herein), having made all reasonable enquiries, confirmed that to the best of their knowledge and belief that 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.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Tuesday, 30 May 2023 at 9:00 a.m., notice of which is set out on pages 8 to 11 of this circular, and any adjournment thereof
“Articles”	the articles of association of the Company (as amended from time to time)
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, which for the sole purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules, and unless the context requires otherwise, means Mr. Huang, Silver Huang Holding Limited and Silver Vally Holding Limited collectively
“Companies Act”	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Yincheng International Holding Co., Ltd., an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1902)
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares of up to 20% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate and adding thereto any Shares representing the aggregate number of Shares repurchased by the Company pursuant to the authority granted under the Repurchase Mandate
“Latest Practicable Date”	20 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Huang”	Mr. Huang Qingping (黃清平), the chairman of the Board, a non-executive Director and one of the Controlling Shareholders
“Repurchase Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares of up to 10% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) with nominal value of HK\$0.1 each in the share capital of the Company which are traded in Hong Kong dollars and listed on the Main Board of the Stock Exchange
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
“HK\$” and “cents”	Hong Kong dollars and cents, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



銀城國際控股有限公司

YINCHENG INTERNATIONAL HOLDING CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1902)

Non-executive Directors:

Mr. Huang Qingping (*Chairman*)

Mr. Xie Chenguang

Executive Directors:

Mr. Ma Baohua

Mr. Zhu Li

Mr. Wang Zheng

Ms. Shao Lei

Independent Non-executive Directors:

Dr. Chen Shimin

Mr. Chan Peng Kuan

Mr. Yim Hong Cheuk Foster

Registered office:

Sertus Chambers

Governors Square, Suite #5-204

23 Lime Tree Bay Avenue

P.O. Box 2547

Grand Cayman KY1-1104

Cayman Islands

Principal place of business in

Hong Kong:

Room 832

Admiralty Centre Tower 2

18 Harcourt Road

Admiralty

Hong Kong

27 April 2023

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS;
AND
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES
AND
RE-APPOINTMENT OF THE AUDITOR**

INTRODUCTION

The purpose of this circular is to provide you with the information in respect of the resolutions to be proposed to seek an approval from the Shareholders in respect of, among other matters, (i) the re-election of Directors; (ii) the granting to the Directors the Issue Mandate and the Repurchase Mandate; and (iii) the re-appointment of the auditor.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with Article 108(a) of the Articles, one-third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to, but not less than one-third) shall retire from office by rotation at every annual general meeting and, being eligible, offer themselves for re-election. Accordingly, Mr. Huang Qingping, Mr. Xie Chenguang and Mr. Ma Baohua will retire from office and, they are all being eligible for re-election at the AGM.

In accordance with Articles 112 of the Articles, the Board has the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the next first annual general meeting of members after his appointment and is subject to re-election at such meeting. Accordingly, Mr. Yim Hong Cheuk Foster will retire from office and, he is being eligible for re-election at the AGM.

The Nomination Committee has recommended to the Board for the re-election of Mr. Yim Hong Cheuk Foster, in accordance with the following selection criteria:

1. character and integrity;
2. qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
3. willingness to devote sufficient time to discharge duties as members of the Board and its relevant committees and undertake significant commitments;
4. the number of existing directorships and other commitments that may demand their attention;
5. requirement for the Board to have independent non-executive Directors in accordance with the Listing Rules and whether such director would be considered independent with reference to the independence guidelines set out in the Listing Rules;
6. board diversity policy of the Company and any measurable objectives adopted by the Board for achieving diversity on the Board; and
7. their perspectives provided to the management and operation of the Group as well as other contributions to the Group during the tenure of their directorship.

The Nomination Committee has assessed the independence of Mr. Yim Hong Cheuk Foster based on reviewing their annual written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules and considered that he remains independent.

The Nomination Committee has also considered Mr. Yim Hong Cheuk Foster has extensive commercial and legal experience; and other experience and factors as set out in Appendix I to this circular.

LETTER FROM THE BOARD

The Nomination Committee is satisfied that at all times during the period of directorship with the Company, Mr. Huang Qingping, Mr. Xie Chenguang, Mr. Ma Baohua and Mr. Yim Hong Cheuk Foster have properly discharged their duties and responsibilities as Directors and have made positive contributions to the development of the Company through constructive and informed comments and participation at the business and other affairs relating to the Group. They have provided valuable contributions and insights to the Board and they have the required character, integrity and experience to continuously and effectively fulfill their role as independent non-executive Director. The Board believed that their re-election as Directors would be in the best interests of the Company and the Shareholders as a whole.

In view of the above, with the recommendation of the Nomination Committee, the Board has proposed that all retiring Directors, stand for re-election as Directors at the AGM.

Further information about the Board's composition and diversity as well as the attendance record at the meetings of the Board and/or its committees and the general meeting of the Directors (including the retiring Directors) are disclosed in the corporate governance report of the 2022 annual report of the Company.

The biographical details of retiring Director to be re-elected at the AGM are set out in Appendix I to this circular in accordance with the relevant requirements under the Listing Rules.

GENERAL MANDATES

At the annual general meeting of the Company held on 10 June 2022, ordinary resolutions were passed to grant the Directors (i) a general unconditional mandate to allot, issue and deal in Shares not exceeding 20% of the aggregate number of Shares of the Company in issue at the date of the passing of the relevant resolution; (ii) a general unconditional mandate to repurchase Shares up to 10% of the aggregate number of Shares of the Company in issue at the date of the passing of the relevant resolution; and (iii) to extend the general mandate mentioned in (i) above by the addition of an amount representing the aggregate number of Shares of the Company repurchased by the Company pursuant to the mandate to repurchase Shares referred to (ii) above.

The above general mandates will continue to be in force until (i) the conclusion of the AGM; or (ii) the date by which the AGM is required to be held by the Articles or any applicable law(s); or (iii) the revocation or variation by ordinary resolution of the Shareholders in general meeting, whichever occurs first. It is therefore proposed to seek your approval by way of ordinary resolutions to be proposed at the AGM to approve the Issue Mandate and the Repurchase Mandate. The Directors wish to state that they have no immediate plan to issue any Shares or repurchase any Shares pursuant thereto. Please refer to resolutions numbered 4 to 6 set out in the notice of the AGM on pages 8 to 11 of this circular for details of the proposed Issue Mandate and Repurchase Mandate.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the number of issued Shares of the Company was 1,446,962,138 Shares, and assuming that no further Shares are to be issued or repurchased prior to the AGM, the Issue Mandate will grant the Directors with an authority to issue up to 289,392,427 Shares.

EXPLANATORY STATEMENT

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate at the AGM.

RE-APPOINTMENT OF THE AUDITOR

The mandate of the current auditor of the Company, Ernst & Young, will expire at the AGM. At the AGM, an ordinary resolution will be put forward for approval of the re-appointment of the auditor.

The re-appointment of the auditor of the Company has been reviewed by the audit committee of the Company which made recommendation to the Board that the re-appointment be submitted and proposed for Shareholders' approval at the AGM.

ANNUAL GENERAL MEETING

Set out on pages 8 to 11 of this circular is a notice convening the AGM to consider and, if appropriate, to approve, among others, the resolutions relating to the proposals for the granting of the Issue Mandate and the Repurchase Mandate, re-election of retiring Directors and re-appointment of the auditor.

A form of proxy for use at the AGM is enclosed herewith. If you are not able to attend and/or vote at the AGM in person, you are requested to complete the form of proxy and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

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

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the resolutions in relation to the granting of the Issue Mandate and the Repurchase Mandate, the re-election of retiring Directors and the re-appointment of the auditor to be proposed at the AGM are in the best interests of the Company and the Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the AGM.

GENERAL

Your attention is also drawn to the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

By Order of the Board
Yincheng International Holding Co., Ltd.
Huang Qingping
Chairman

NOTICE OF ANNUAL GENERAL MEETING



銀城國際控股有限公司

YINCHENG INTERNATIONAL HOLDING CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1902)

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of Yincheng International Holding Co., Ltd. (the “**Company**”) will be held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Tuesday, 30 May 2023 at 9:00 a.m. to transact the following businesses:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and the Independent Auditor for the year ended 31 December 2022.
2.
 - (i) To re-elect Mr. Huang Qingping as a Director.
 - (ii) To re-elect Mr. Xie Chenguang as a Director.
 - (iii) To re-elect Mr. Ma Baohua as a Director.
 - (iv) To re-elect Mr. Yim Hong Cheuk Foster as a Director.
 - (v) To authorise the Board of Directors to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as Auditor and to authorise the Board of Directors to fix its remuneration.
4. **“THAT:**
 - (a) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the share capital of the Company (the “**Shares**”), and to make or grant offers, agreements and options and warrants or similar rights to subscribe for Shares or bonds and debentures or other securities convertible into Shares which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options and warrants or similar rights to subscribe for Shares or bonds and debentures or other securities convertible into Shares which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company, shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly;
- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions 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, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction applicable to the Company outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

5. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly;
- (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (b) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; and
- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon resolutions numbered 4 and 5 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional Shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution numbered 4 above be and is hereby extended by the additional thereto of an amount representing the aggregate number of Shares repurchased by the Company under the authority granted pursuant to resolution numbered 5 above, provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing the resolution.”

By Order of the Board
Yincheng International Holding Co., Ltd.
Huang Qingping
Chairman

Hong Kong, 27 April 2023

Notes:

1. For the purpose of determining the identity of the shareholders entitled to attend and vote at the meeting, the register of members of the Company will be closed from Wednesday, 24 May 2023 to Tuesday, 30 May 2023, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 23 May 2023.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.
4. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorised, and must be deposited with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the meeting.
5. With respect to resolution numbered 2 of this notice, Mr. Huang Qingping, Mr. Xie Chenguang, Mr. Ma Baohua and Mr. Yim Hong Cheuk Foster shall retire from office of directorship and shall offer themselves for re-election in accordance with the Articles of Association of the Company. Details of their information which are required to be disclosed under the Listing Rules are set out in the circular of the Company dated 27 April 2023.
6. As at the date of this notice, the Board comprises four executive Directors, namely Mr. Ma Baohua, Mr. Zhu Li, Mr. Wang Zheng and Ms. Shao Lei; two non-executive Directors, namely Mr. Huang Qingping and Mr. Xie Chenguang; and three independent non-executive Directors, namely Dr. Chen Shimin, Mr. Chan Peng Kuan and Mr. Yim Hong Cheuk Foster.

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

NON-EXECUTIVE DIRECTORS

Mr. HUANG Qingping

Mr. HUANG Qingping, aged 59, is the Chairman and a non-executive Director. Mr. Huang joined the Group in September 1992. He is primarily responsible for formulating and providing guidelines and strategies for the overall development of the Group. He was appointed as a director on 8 January 2018 and re-designated as a non-executive director on 19 August 2018.

Before joining the Group, Mr. Huang was the section chief at Gulou District Urban Construction Bureau* (currently known as Gulou District Construction, Real Estate and Transportation Bureau*), from October 1983 to September 1992, responsible for urban planning.

Mr. Huang obtained his diploma in industrial and civil engineering from Nanjing Jinling Vocational University* in the PRC in August 1983. Mr. Huang has over 31 years of experience in the real estate industry in the PRC.

Mr. Huang is currently a non-executive director of Yincheng Life Service Co., Ltd, a company listed on the Main Board of the Stock Exchange (stock code: 1922.HK).

As at the Latest Practicable Date, pursuant to the SFO, Mr. Huang is interested in (a) 517,833,810 Shares held by Silver Huang Holding Limited, a company beneficially and wholly-owned by Mr. Huang; and (b) 21,255,724 Shares held by Silver Vally Holding Limited, a company beneficially and wholly-owned by Mr. Huang, within the meaning of Part XV of the SFO.

Mr. XIE Chenguang

Mr. XIE Chenguang, aged 60, is a non-executive Director. Mr. Xie joined the Group in December 1998. He is mainly responsible for providing guidance for the overall development of the Group and was appointed as a non-executive director on 19 August 2018.

Prior to joining the Group, Mr. Xie worked several positions, including vice general engineer and chief of the technical department at Nanjing Sanjian (Group) Company* (currently known as Nanjing Jiangong Group Co., Limited*) from October 1983 until November 1998, responsible for construction project management.

Mr. Xie obtained a diploma in industrial and civil engineering from Nanjing Jinling Vocational University in the PRC in August 1983, and obtained professional qualification as a senior engineer in November 2000. He subsequently received his Executive Master of Business Administration (EMBA) degree from China Europe International Business School in the PRC in September 2007. He has more than 38 years of experience in the engineering and real estate industry in the PRC.

Mr. Xie is currently a chairman and a non-executive director of Yincheng Life Service, a company listed on the Main Board of the Stock Exchange (stock code: 1922.HK).

As at the Latest Practicable Date, pursuant to the SFO, Mr. Xie is interested in 78,085,490 Shares held by Silver Xie Holding Limited, a company beneficially and wholly-owned by Mr. Xie, within the meaning of Part XV of the SFO.

EXECUTIVE DIRECTOR

Mr. MA Baohua

Mr. MA Baohua, aged 61, is an executive Director and the President of the Company. Mr. Ma joined the Group in February 2004. He is mainly responsible for the overall strategic decision-making, business planning and daily operation management of the Group. He was appointed as an executive director on 19 August 2018.

Prior to joining the Group, he worked from March 1986 until he joined the Group in February 2004 at Nanjing Urban Planning Bureau*, and was deputy director of the General Management Department, responsible for plan implementation management work. Prior to that, Mr. Ma worked at the Gulou District Urban Construction Bureau* (currently known as Gulou District Construction, Real Estate and Transportation Bureau*) from October 1983 to March 1986, responsible for urban planning.

Mr. Ma received his diploma in industrial and civil engineering from Jinling Vocational University in the PRC in August 1983. He then obtained his bachelor's degree in urban and rural planning and land management from Nanjing University in the PRC in July 2001, and obtained professional qualification as a registered urban planner since May 2001. He subsequently obtained his Executive Master of Business Administration (EMBA) degree from China Europe International Business School in the PRC in September 2007. He has over 38 years of experience in the real estate related industry in the PRC.

In 2017, Mr. Ma was recognised as one of the top 100 property managers coawarded by Sina Finance, Leju, China Real Estate Association, Shanghai Securities News and China Entrepreneur Magazine. In January 2021, Mr. Ma was awarded the “Best Leader Award” at the 2021 Investor Relations Innovation Summit for Listed Companies and the “Fourth China Excellent IR” Awards Ceremony, which was organised by Roadshow China.

Mr. Ma is currently a non-executive director of Yincheng Life Service, a company listed on the Main Board of the Stock Exchange (stock code: 1922.HK).

As at the Latest Practicable Date, pursuant to the SFO, Mr. Ma is interested in 71,919,056 Shares held by Silver Ma Holding Limited, a company beneficially and wholly-owned by Mr. Ma, within the meaning of Part XV of the SFO.

INDEPENDENT NON-EXECUTIVE DIRECTOR**Mr. YIM Hong Cheuk Foster**

Mr. Yim Hong Cheuk Foster, aged 43, is an independent non-executive Director. He received his degree of Bachelor of Arts in Translation at Lingnan University in November 2002, degree of Master of Arts in Philosophy at the University of Nottingham in December 2003 and degree of Master of Science at the Chinese University of Hong Kong in December 2006. He was then admitted to the J. D. degree at the Chinese University of Hong Kong in December 2009 and obtained the Postgraduate Certificate in Laws from the same university in July 2010. Mr. Yim was admitted and enrolled as a barrister of the High Court of Hong Kong in May 2011, and is currently a counsel at Liberty Chambers with over 10 years of experience in the legal profession. He is a fellow of both Hong Kong Institute of Arbitrators and Hong Kong Securities and Investment Institute.

Mr. Yim also has over seven years of experience in public service, professional and education institutions. He is currently the chairman of the Appeal Tribunal Panel established under section 45 of the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong), the legal consultant of the Junior Police Officers' Association of the Hong Kong Police Force, the honorary legal consultant of the H.K.S.A.R. Government Traffic Wardens General Union and the secretary general of Legal Profession Advancement Association Limited. Additionally, he is a director of Hong Kong Education City Limited, a member of the Joint CUHK-NTEC Clinical Research Ethics Committee, a member of the Advisory Committee of the Master Programmes offered by the School of Translation of The Hang Seng University of Hong Kong, a director of both Lingnan Hang Yee Memorial Secondary School and the Lingnan Education Organisation, a member of the Advisory Board for the Department of Translation of Lingnan University and a member of the Court of Lingnan University. Mr. Yim was appointed as a board member of Hong Kong Securities and Investment Institute on 15 December 2022 and he was also appointed as a member of the Guardianship Board in accordance with Section 59J(2) and (3) of the Mental Health Ordinance on 1 February 2023.

Mr. Yim currently serves as an independent non-executive director of 1957 & Co. (Hospitality) Limited (stock code: 8495) since August 2022 and he was an independent non-executive director of Summi (Group) Holdings Limited (stock code: 756) from July 2022 to September 2022, both of which are listed on the Main Board of the Stock Exchange.

DIRECTORS' REMUNERATION

The total amount of the Directors' remuneration for the year ended 31 December 2022 received by each of the retiring Directors are set out in the financial statements of the Company's 2022 annual report. The Director's emoluments to be determined by the Board after the recommendation from the Remuneration Committee by reference to the time commitment and responsibilities, the Company's performance and the prevailing market conditions.

DIRECTOR'S INTEREST

Save as disclosed in this circular, to the best knowledge of the Company, each of the Directors who stand for re-election (i) does not hold other positions in the Company or other members of the Group, (ii) does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, (iii) does not have any relationship with any other Director, senior management, substantial shareholder or Controlling Shareholder of the Company, (iv) does not have any interest in the securities within the meaning of Part XV of the Securities and Futures Ordinance, and (v) has no information to disclose pursuant to any of the requirements of Rule 13.51(2)(h)–13.51(2)(v) of the Listing Rules; and there are no other matters that need to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,446,962,138 Shares. Subject to the passing of the resolution for repurchase of Shares and on the basis that no further new Shares are issued or repurchased up to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 144,696,213 Shares, representing 10% of the total issued Shares as at the date of passing the relevant resolution for granting the Repurchase Mandate.

3. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES OF SHARES

Any repurchase of securities of the Company would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for the purpose in accordance with the Articles, the applicable laws of the Cayman Islands and the Listing Rules. Such funds include, but are not limited to, profits available for distribution. Purchases may only be effected out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account.

5. GENERAL

There might be a material adverse impact on the working capital or gearing position as compared with the position disclosed in the audited financial statements of the Company for the year ended 31 December 2022 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period.

However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during each of the previous 12 months and up to the Latest Practicable Date were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
April	2.900	2.300
May	2.800	2.210
June	4.100	2.350
July	3.600	2.630
August	3.000	2.180
September	2.400	1.830
October	2.040	1.280
November	1.370	0.159
December	0.530	0.195
2023		
January	0.365	0.270
February	0.335	0.215
March	0.248	0.168
April (up to and including the Latest Practicable Date)	0.182	0.160

7. UNDERTAKING

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

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

8. CORE CONNECTED PERSON

No core connected person (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

9. TAKEOVERS CODE AND MINIMUM PUBLIC SHAREHOLDING

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

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, or can be ascertained after reasonable enquiry by the Directors, Mr. Huang is interested in (i) 517,833,810 Shares held through Sliver Huang Holding Limited, a company wholly-owned by Mr. Huang, (ii) 21,255,724 Shares held through Sliver Vally Holding Limited, a company wholly-owned by Mr. Huang, and accordingly, Mr. Huang was taken to be interested in an aggregate of approximately 37.26% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the total interest of Mr. Huang in the issued share capital of the Company would be increased from 37.26% to approximately 41.40% and such increase would give rise to a general offer obligation under the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to an extent such that the general offer obligation would be triggered and will not effect repurchases to such extent which would result in the number of Shares held by the public falling below the prescribed minimum percentage of 25% as required under the Listing Rules.

10. SHARE PURCHASE MADE BY THE COMPANY

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