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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 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 Chen Xing Development Holdings Limited, you should at once hand this circular with 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 the transferee.

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CHEN XING

Chen Xing Development Holdings Limited

辰興發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2286)

**PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM
AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Chen Xing Development Holdings Limited to be held at Conference Room, 6th Floor, Chen Xing Tower, 131 West Yingbin Street, Yuci District, Jinzhong City, Shanxi Province, the People's Republic of China on Wednesday, 24 May 2023 at 10 a.m. is set out on pages 35 to 40 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.chen-xing.cn). Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch 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 but in any event not less than 48 hours before the time appointed for the holding of the meeting (i.e. before 10 a.m. on Monday, 22 May 2023) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting or any adjournment thereof if they so wish and in such event, the proxy shall be deemed to be revoked.

28 April 2023

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DEFINITIONS

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

“Amended and Restated Memorandum and Articles of Association”	the amended and restated memorandum and articles of association of the Company set out in Appendix III to this circular (incorporating and consolidating the proposed amendments) proposed to be adopted by the Shareholders at the Annual General Meeting
“Annual General Meeting”	the annual general meeting of the Company to be held at Conference Room, 6th Floor, Chen Xing Tower, 131 West Yingbin Street, Yuci District, Jinzhong City, Shanxi Province, the PRC on Wednesday, 24 May 2023 at 10 a.m. or any adjournment thereof, the notice of which is set out on pages 35 to 40 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Cayman Companies Act”	the Companies Act (as revised) of the Cayman Islands (as amended, supplemented or otherwise modified from time to time)
“Company”	Chen Xing Development Holdings Limited, an exempted company incorporated in the Cayman Islands under the Cayman Companies Act with limited liability on 3 November 2014
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the General Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate

DEFINITIONS

“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20 % of the number of issued Shares as at the date of passing of the relevant resolution granting the General Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	24 April 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10 % of the number of issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate
“RMB”	Renminbi, the lawful currency of the PRC
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time)

DEFINITIONS

“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers

LETTER FROM THE BOARD



CHEN XING

Chen Xing Development Holdings Limited

辰興發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2286)

Executive Directors:

Mr. Bai Xuankui (*Chairman*)
Mr. Bai Wukui (*Chief Executive Officer*)
Mr. Bai Guohua
Mr. Dong Shiguang

Independent non-executive Directors:

Mr. Tian Hua
Mr. Qiu Yongqing
Ms. Gao Jianhua

Registered office:

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Head office and principal place of
business in the PRC:*

18 Anning Street
Yuci District
Jinzhong City
Shanxi Province
The PRC

Principal place of business in

Hong Kong:

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

28 April 2023

To the Shareholders

Dear Sir or Madam

**PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES
AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM
AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and the information of the following proposals to be put forward at the Annual General Meeting: (i) the grant to the Directors of General Mandate, the Repurchase Mandate and the Extension Mandate; (ii) the re-election of the retiring Directors; and (iii) the adoption of the Amended and Restated Memorandum and Articles of Association.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

In order to ensure greater flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue new Shares, approval is to be sought for the Shareholders, pursuant to the Listing Rules, for the General Mandate to issue Shares. An ordinary resolution no. 4(A) will be proposed at the Annual General Meeting to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with new Shares not exceeding 20 % of the number of issued Shares as at the date of passing of the resolution in relation to the General Mandate. As at the Latest Practicable Date, there was 599,999,989 Shares in issue. Subject to the passing of the above resolution and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 119,999,997 Shares.

In addition, subject to a separate approval of the ordinary resolution no. 4(C), the number of Shares purchased by the Company under ordinary resolution no. 4(B), if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20 % limit of the General Mandate as mentioned in the ordinary resolution no. 4(A) provided that such additional number shall not exceed 10 % of the number of issued Shares as at the date of the passing of the General Mandate and Repurchase Mandate.

REPURCHASE MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution no. 4(B) will be proposed at the Annual General Meeting to grant the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares not exceeding 10 % of the number of issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate. As at the Latest Practicable Date, there were 599,999,989 Shares in issue. Subject to the passing of the above resolution and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 59,999,998 Shares.

An explanatory statement required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 84 of the Articles of Association, Mr. Bai Xuankui, Mr. Qiu Yongqing and Mr. Tian Hua shall retire by rotation at the Annual General Meeting and, being eligible, have offered themselves for re-election as Directors.

Details of the above named Directors who are proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

The Board and the Nomination Committee had reviewed the proposal for re-election of each of Mr. Bai Xuankui, Mr. Qiu Yongqing and Mr. Tian Hua as Directors, after having considered a range of diversity perspectives including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, as set out in the board diversity policy of the Company.

The Board and the Nomination Committee have reviewed the confirmation of independence of Mr. Qiu Yongqing and Mr. Tian Hua in assessing their independence based on the independence criteria set out in Rule 3.13 of the Listing Rules. The Board and the Nomination Committee are not aware of any circumstances that might influence Mr. Qiu Yongqing and Mr. Tian Hua in exercising their independent judgement, and are satisfied that they have the required character, experience and independence to fulfil the role of an independent non-executive Director. In view of this, the Board considers Mr. Qiu Yongqing and Mr. Tian Hua to be independent.

Mr. Qiu Yongqing has been engaged in corporate management and fund management for years and has extensive experience in business management and corporate acquisition. Based on his past working experience and his character of integrity and self-discipline, the Board believes that Mr. Qiu Yongqing fits the Company's philosophy and is qualified to act as the independent non-executive Director, and that Mr. Qiu Yongqing can provide constructive advice on the decisions of the Board and continue to make contribution to the development of the Company in light of his diverse experience and extensive knowledge. Accordingly, the Board is of the view that the re-election of Mr. Qiu Yongqing as an independent non-executive Director is in line with the development of the Company and is in the interests of the Shareholders as a whole.

Mr. Tian Hua has been engaged in audit management and corporate system training for years and has extensive experience in audit business management and training and financial personnel appraisal. Based on his performance during his tenure as an independent non-executive Director of the Company, the Board believes that Mr. Tian Hua fits the Company's philosophy and possesses the job requirements, character and experience required to act as, and is able to fulfill the duties of, an independent non-executive Director, and that he can provide constructive advice on the

LETTER FROM THE BOARD

modification of the internal control system and internal control supervision of the Board, as well as make contributions to the Company's employee training, incentives and appraisal leveraging on his diverse working experience and extensive knowledge. Accordingly, the Board recommends that Mr. Tian Hua be re-elected as an independent non-executive Director.

ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

At the Annual General Meeting, special resolution no. 5 of the notice of Annual General Meeting will be proposed in respect of adoption of the Amended and Restated Memorandum and Articles of Association.

The Board proposed to adopt the Amended and Restated Memorandum and Articles of Association to reflect the changes brought about by the amendments to the applicable laws and regulations including the Companies Act of the Cayman Islands and the Listing Rules (including but not limited to the introduction of 14 core standards of shareholder protection under the revised Appendix 3 of the Listing Rules). In addition, other housekeeping amendments have also been incorporated to clarify and revise existing practices and to reflect consequential update changes in conjunction with the proposed amendments. The Company's legal advisers have confirmed that the proposed amendments conform with the requirements of the Listing Rules and are not inconsistent with the Cayman Islands laws. The Company also confirms that there is nothing unusual about the proposed amendments for a Cayman Islands company listed in Hong Kong.

CLOSURE OF REGISTER OF MEMBERS

Shareholders whose names appear on the register of members of the Company on 24 May 2023 will be eligible to attend and vote at the Annual General Meeting. The transfer books and register of members of the Company will be closed from Friday, 19 May 2023 to Wednesday, 24 May 2023, both days inclusive, during which period no transfer of Shares can be registered. In order to qualify for attending and voting at the Annual General Meeting, all shares transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch 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 not later than 4:30 p.m. on Thursday, 18 May 2023.

LETTER FROM THE BOARD

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 35 to 40 of this circular is the notice of Annual General Meeting at which, inter alia, resolutions will be proposed to Shareholders to consider and approve (i) the grant to the Directors of General Mandate, the Repurchase Mandate and the Extension Mandate; (ii) the re-election of the retiring Directors; and (iii) the adoption of the Amended and Restated Memorandum and Articles of Association.

FORM OF PROXY

A form of proxy for use at the Annual General Meeting is enclosed. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk). Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch 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 but in any event not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. before 10 a.m. on Monday, 22 May 2023) or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish and in such event, the proxy shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and article 66(1) of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting may in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the General Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of the retiring Directors and the adoption of the Amended and Restated Memorandum and Articles of Association are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully

By order of the Board

Chen Xing Development Holdings Limited

Bai Xuankui

Chairman

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

The following are the particulars of the retiring Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

As at the Latest Practicable Date, each of the following Directors, save as disclosed herein, did not have any interest in Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, none of the following Director holds any position with the Company or any other member of the Group, nor has any directorships in other listed public companies in the last three years. Mr. Bai Xuankui (an executive Director and Chairman of the Board) is the elder brother of Mr. Bai Wukui (an executive Director), the father of Mr. Bai Guohua (an executive Director) and the uncle of Mr. Bai Aijing (the chief financial officer of the Group). Save as disclosed herein, none of the following Director has any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed herein, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

EXECUTIVE DIRECTOR

Mr. Bai Xuankui (白選奎), (“**Mr. Bai**”), aged 71, is one of the founders and controlling shareholders of the Group. He is also an executive Director, member of the remuneration committee of the Company, chairman of the nomination committee of the Company as well as the chairman of Board. Mr. Bai Xuankui is also a director of White Empire (PTC) Limited, one of the controlling shareholders of the Company. Mr. Bai Xuankui has over 25 years of experience in property development, management and operation. Mr. Bai Xuankui founded the Group in 2004 and since then has been leading the Group to engage in property development. Before founding the Group, Mr. Bai Xuankui worked at Xinxing Construction Ltd. (新興建築公司) where he successively served as assistant manager and manager from April 1983 to May 1992. In July 1993, he was appointed as deputy director of Yuci City Enterprise Management Bureau (榆次市城區企業管理局). From April 1998 to October 2001, he was appointed by People’s Congress of Yuci City as commissioner of Yuci City Industrial Economic Commission (榆次市工業經濟委員會). From December 2001 to October 2010, he served as the chairman of Jinzhong City Yuci Region Federation of Industry & Commerce (晉中市榆次區工商業聯合會). From June 2007 to January 2015, Mr. Bai Xuankui had also been the vice chairman of Jinzhong City Federation of Industry & Commerce (晉中市工商業聯合會). Mr. Bai Xuankui obtained a postgraduate certificate in master of business administration (工商管理碩士研究生文憑) issued by Tianjin University of Finance &

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Economics (天津財經學院), the PRC in November 2000. In December 2008, he obtained the qualification as a senior engineer from Shanxi Township Enterprise Engineering Series Senior Technical Position Evaluation Committee (山西鄉鎮企業工程系列高級技術職務評審委員會).

Mr. Bai had entered into a service contract with the Company for a term of 3 years commencing from 5 February 2021 and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the service contract, Mr. Bai is entitled to a director's remuneration of RMB650,000 per annum, adjustable from time to time based on recommendation of remuneration committee, and a discretionary bonus, which have been determined by the remuneration committee of the Company and the Board with reference to his performance, duties and responsibilities with the Company and the prevailing market condition.

As at the Latest Practicable Date, Mr. Bai was deemed to be interested in 346,944,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Qiu Yongqing (裘永清) ("Mr. Qiu"), aged 58, is an independent non-executive Director and members of the audit committee and the nomination committee of the Company. Mr. Qiu was appointed as the chairman of Shanxi Jintai Venture Capital Co., Ltd. (山西金泰創業投資有限公司) in April 2004 and vice chairman and general manager of Shanxi Small & Medium Enterprises Financing Guarantee Co., Ltd. (山西中小企業發展融資擔保有限公司) in May 2012. He was also appointed as member of the Jinzhong City's Committee of Chinese People's Political Consultative Conference (晉中市政協委員) in April 2005, senior expert jointly appointed by Shanxi and Jinzhong Municipal Committee (山西省及晉中市委) in December 2011 and vice chairman of Taiyuan Professional Manager Association (太原職業經理人協會) in March 2014.

Mr. Qiu obtained a certificate in engineering issued by Shanxi Radio & TV University (山西廣播電視大學), the PRC in July 1989. He then undertook and completed a course in business administration from School of Management of Xian Jiaotong University (西安交通大學管理學院) in July 2000. He obtained a master of business administration degree from Arizona State University, the United State, in May 2011. In April 2013, Mr. Qiu obtained the qualification as a senior economist granted by Department of Human Resources and Social Security of Shanxi Province (山西省人力資源和社會保障廳).

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Qiu had entered into a letter of appointment with the Company for a term of 3 years commencing from 12 June 2021 and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the letter of appointment, Mr. Qiu is entitled to a Director's fee of HK\$40,000 per annum (before tax), which has been determined by the remuneration committee of the Company and the Board with reference to his performance, duties and responsibilities with the Company and the prevailing market condition.

Mr. Tian Hua (田華) (“Mr. Tian”), aged 60, is an independent non-executive Director, the chairman of the audit committee and the chairman of the remuneration committee of the Company. Mr. Tian joined Shanxi Zhongyu Certified Public Accountants (山西中宇會計事務所) in August 1998 as the chief accountant until December 2008. From December 2008 to present, he has been working at Shanxi He Pu Hua Certified Public Accountants (山西禾譜華會計事務所) as an accountant.

Mr. Tian obtained a professional certificate in accountancy issued by Shanxi Finance & Taxation College (山西財政稅務專科學校), the PRC in July 2001. He has been a practicing member of The Chinese Institute of Certified Public Accountants (中國註冊會計師協會) since May 1999.

Mr. Tian had entered into a letter of appointment with the Company for a term of 3 years commencing from 5 February 2021 and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the letter of appointment, Mr. Tian is entitled to a Director's fee of HK\$40,000 per annum (before tax), which has been determined by the remuneration committee of the Company and the Board with reference to his performance, duties and responsibilities with the Company and the prevailing market condition.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue was 599,999,989 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 59,999,998 Shares which represent 10 % of the total number of issued Shares during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share 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 as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Cayman Companies Act and the Listing Rules. The Cayman Companies Act provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Cayman Companies Act. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's Shares are repurchased in the manner provided for in the Cayman Companies Act.

The Directors would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the Repurchase Mandate was to be exercised in full at the current prevailing market value, it may not have a material adverse impact on the working capital and/or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Company were made up. 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.

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors nor any of their close associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company or its subsidiaries, in the event that the Repurchase Mandate 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 in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

No core connected person of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If as a result of a repurchase of Shares by the Company 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. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, 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, to the best knowledge and belief of the Directors, White Dynasty Global Holdings Limited ("**White Dynasty BVI**") and White Legend Global Holdings Limited ("**White Legend BVI**") was interested in 346,944,000 Shares and 64,944,000 Shares, respectively, representing approximately 57.82% and 10.82% of the issued Shares.

White Dynasty BVI was wholly-owned by White Empire (PTC) Limited, which was the trustee of the family trust established for the benefit of Mr. Bai Guohua, a controlling Shareholder and executive Director, Ms. Cheng Guilian (the spouse of Mr. Bai Xuankui) ("**Mrs. Bai**") and other beneficiaries to be nominated by the trustee from time to time. Mr. Bai Xuankui, the chairman of the Board, a controlling Shareholder and an executive Director, is the settlor of the said family trust. White Legend BVI was wholly-owned by Mr. Bai Wukui, the chief executive officer and an executive Director of the Company.

For the purpose of the Takeovers Code, Mr. Bai Xuankui, Mr. Bai Wukui, Mr. Bai Guohua, Mrs. Bai, Ms. Zhang Lindi (the spouse of Mr. Bai Guohua) and Ms. Gan Xuelin (the spouse of Mr. Bai Wukui) are parties presumed to be acting in concert with each other and will be taken to have an interest in a total of 411,888,000 Shares, representing approximately 68.65% of the total number of issued Shares. In the event that the Directors should exercise in full the Repurchase Mandate, the shareholding of Mr. Bai Xuankui, Mr. Bai Wukui, Mr. Bai Guohua, Mrs. Bai, Ms. Zhang Lindi and Ms. Gan Xuelin in the Company will be increased to approximately 76.28% of the total number of issued Shares. To the best knowledge and belief of the Directors, such increase would not give rise to any obligation to make a mandatory offer under the Takeovers Code. The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

Save as aforesaid, the Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during the period from each of previous twelve months to the Latest Practicable Date were as follows:

Month	Highest traded prices HK\$	Lowest traded prices HK\$
2022		
April	1.33	1.33
May	1.35	1.29
June	1.28	0.30
July	1.26	1.26
August	1.03	0.71
September	1.00	1.00
October	0.93	0.25
November	1.02	0.25
December	—	—
2023		
January	—	—
February	0.77	0.77
March	—	—
April (<i>up to the Latest Practicable Date</i>)	0.93	0.50

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

The following are the proposed amendments to the existing Memorandum of Association and Articles of Association:

PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY CURRENTLY IN FORCE (THE “MEMORANDUM OF ASSOCIATION”)	
Existing provision of the Memorandum of Association (if any)	Proposed amendments to the Memorandum of Association
<p><u>Clause 4</u></p> <p>Subject to the following provisions of this Memorandum, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies Law (Revised).</p>	<p><u>Clause 4</u></p> <p>Subject to the following provisions of this Memorandum, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies Law Act <u>(as Revisedrevised)</u> of the Caymen Islands.</p>
<p><u>Clause 8</u></p> <p>The share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 shares of a nominal or par value of HK\$0.01 each, with the power for the Company, insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said share capital subject to the provisions of the Companies Law (Revised) and the Articles of Association of the Company and to issue any part of its capital, whether original, redeemed or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.</p>	<p><u>Clause 8</u></p> <p>The <u>authorised</u> share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 shares of a nominal or par value of HK\$0.01 each, with the power for the Company, insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said share capital subject to the provisions of the Companies Law Act <u>(as Revisedrevised)</u> of the Cayman Islands and the Articles of Association of the Company and to issue any part of its capital, whether original, redeemed or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provision of the Memorandum of Association (if any)	Proposed amendments to the Memorandum of Association
<p><u>Clause 9</u></p> <p>The Company may exercise the power contained in the Companies Law (Revised) to deregister in the Cayman Islands and be registered by way of continuation in another jurisdiction.</p>	<p><u>Clause 9</u></p> <p>The Company may exercise the power contained in the Companies Law<u>Act</u> (as Revised<u>revised</u>) of the Cayman Islands to deregister in the Cayman Islands and be registered by way of continuation in another jurisdiction.</p>

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY CURRENTLY IN FORCE (THE “ARTICLES”)	
Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Definition of “clearing house“</u></p> <p>a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.</p>	<p><u>Definition of “clearing house“</u></p> <p>a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction, <u>including in the case of the Company, Hong Kong Securities Clearing Company Limited.</u></p>
<p><u>Definition of “Law“</u></p> <p>The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.</p>	<p><u>Definition of “Law“</u></p> <p>The Companies Law<u>Act</u>, Cap. 22 (Law 3 of 1961, as consolidated<u>revised</u>) of the Cayman Islands.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Definition of “ordinary resolution“</u></p> <p>a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59.</p>	<p><u>Definition of “ordinary resolution“</u></p> <p>a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, <u>by proxy</u> or, in the cases of any Members <u>being a which are</u> corporations, by <u>its duly their respective</u> authorised representatives <u>or, where proxies are</u> allowed, <u>by proxy</u> at a general meeting <u>held in accordance with these Articles and</u> of which Notice has been duly given in accordance with Article 59.</p>
<p><u>Definition of “special resolution“</u></p> <p>a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Article 59.</p>	<p><u>Definition of “special resolution“</u></p> <p>a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, <u>by proxy</u> or, in the cases of such Members as are corporations, by their respective duly authorised representatives <u>or,</u> where proxies are allowed, by proxy at a general meeting <u>held in accordance with these Articles and</u> of which Notice has been duly given in accordance with Article 59.</p>
<p><u>Article 2.(2)(i)</u> Interpretation 2.(2)(i) Section 8 of the Electronic Transactions Law (2003) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles.</p>	<p><u>Article 2.(2)(i)</u> Interpretation 2.(2)(i) Section 8 of the Electronic Transactions Law Act (2003 as revised) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 3.(1)</u> Share Capital 3.(1) The share capital of the Company at the date on which these Articles come into effect shall be divided into shares of a par value of \$0.01 each.</p>	<p><u>Article 3.(1)</u> Share Capital 3.(1) The <u>authorised</u> share capital of the Company at the date on which these Articles come into effect shall be <u>HK\$10,000,000</u> divided into <u>1,000,000,000</u> shares of a par value of <u>HK\$0.01</u> each.</p>
<p><u>Article 9.</u> Share rights 9. Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.</p>	<p><u>[Intentionally deleted]</u></p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 10.</u> Variation of rights 10. Subject to the Law and without prejudice to Article 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company shall, <i>mutatis mutandis</i>, apply, but so that:</p>	<p><u>Article 10.</u> Variation of rights 10. Subject to the Law and without prejudice to Article 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders<u>Members together holding</u> of not less than three-fourths in nominal value of the <u>voting rights of</u> issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company shall, <i>mutatis mutandis</i>, apply, but so that:</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p>Article 44.</p> <p>Register of members</p> <p>44. The Register and branch register of Members, as the case may be, shall be open to inspection for at least two (2) hours during business hours by Members without charge or by any other person, upon a maximum payment of \$2.50 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the Law or, if appropriate, upon a maximum payment of \$1.00 or such lesser sum specified by the Board at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.</p>	<p>Article 44.</p> <p>Register of members</p> <p>44. <u>The—Except when the Register is closed, the Register and branch register of Members, as the case may be, in Hong Kong shall be open to inspection for at least two (2) hours during business hours by Members without charge or by any other person, upon a maximum payment of \$2.50 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the Law or, if appropriate, upon a maximum payment of \$1.00 or such lesser sum specified by the Board at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares and by sending a notice to the Members, which may be extended for no more than another thirty (30) days in respect of any year by an ordinary resolution of the Members passed in that year in accordance with section 632 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong).</u></p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 56.</u> General meetings 56. An annual general meeting of the Company shall be held in each year other than the year of the Company’s adoption of these Articles (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or not more than eighteen (18) months after the date of adoption of these Articles, unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board.</p>	<p><u>Article 56.</u> General meetings 56. An annual general meeting of the Company shall be held in each <u>financial</u> year other than the <u>financial</u> year of the Company’s adoption of these Articles and (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or not more than eighteen (18) months after the date of adoption of these Articles, <u>six (6) months after the end of the Company’s financial year</u> (unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board.</p>
<p><u>Article 57.</u> General meetings 57. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting. General meetings may be held in any part of the world as may be determined by the Board.</p>	<p><u>Article 57.</u> General meetings 57. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting. General meetings may be held in any part of the world as may be determined by the Board. <u>A general meeting of the Members or any class thereof may be held by means of such telephone, video, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.</u></p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 58.</u> General meetings 58. The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</p>	<p><u>Article 58.</u> General meetings 58. The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition, <u>Shares in the share capital of the Company that represent</u> not less than one-tenth of the paid up capital of the Company carrying the right of voting rights at general meetings of the Company <u>on a one vote per Share basis</u> and shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business <u>or resolution</u> specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 59.(1)</u> Notice of general meetings 59.(1) An annual general meeting must be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days. All other general meetings (including an extraordinary general meeting) must be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice, subject to the Law, if it is so agreed:</p>	<p><u>Article 59.(1)</u> Notice of general meetings 59.(1) An annual general meeting must be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days. All other general meetings (including an extraordinary general meeting) must be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice, subject to the Law, if it is so agreed:</p>
<p><u>Article 59.(1)(a)</u> Notice of general meetings 59.(1)(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and</p>	<p><u>Article 59.(1)(a)</u> Notice of general meetings 59.(1)(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend, <u>speak</u> and vote thereat; and</p>
<p><u>Article 59.(1)(b)</u> Notice of general meetings 59.(1)(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together representing not less than ninety-five per cent. (95%) of the total voting rights at the meeting of all the Members.</p>	<p><u>Article 59.(1)(b)</u> Notice of general meetings 59.(1)(b) in the case of any other meeting, by a majority in number of the Members having the right to attend, <u>speak</u> and vote at the meeting, being a majority together representing not less than ninety-five per cent. (95%) of the total voting rights at the meeting of all the Members.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>N/A</u></p>	<p><u>Article 61A.</u> Proceedings at general meetings <u>61A. All Members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the rules of the Designated Stock Exchange, to abstain from voting to approve the matter under consideration.</u></p>
<p><u>Article 66.(2)(a)</u> Voting 66.(2)(a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or</p>	<p><u>Article 66.(2)(a)</u> Voting 66.(2)(a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to <u>speak and</u> vote at the meeting; or</p>
<p><u>Article 66.(2)(b)</u> Voting 66.(2)(b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or</p>	<p><u>Article 66.(2)(b)</u> Voting 66.(2)(b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to <u>attend, speak and</u> vote at the meeting; or</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 66.(2)(c)</u> Voting 66.(2)(c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.</p>	<p><u>Article 66.(2)(c)</u> Voting 66.(2)(c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to <u>attend, speak and</u> vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.</p>
<p><u>Article 75.</u> Proxies 75. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.</p>	<p><u>Article 75.</u> Proxies 75. Any Member entitled to attend, <u>speak and</u> vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend, <u>speak and</u> vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and <u>attend, speak and</u> vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 78.</u> Proxies 78. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.</p>	<p><u>Article 78.</u> Proxies 78. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to <u>attend, speak and</u> vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 81.(2)</u> Corporations acting by representatives 81.(2) If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including, where a show of hands is allowed, the right to vote individually on a show of hands.</p>	<p><u>Article 81.(2)</u> Corporations acting by representatives 81.(2) If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members, <u>or (where appropriate and subject to the Law) at any meeting of creditors of the Company,</u> provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including, where a show of hands is allowed, the right to vote individually on a show of hands <u>and the right to speak.</u></p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 82.</u> Written resolutions of members 82. A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Articles, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.</p>	<p><u>Article 82.</u> Written resolutions of members 82. A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend, <u>speak</u> and vote at general meetings of the Company shall, for the purposes of these Articles, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 83.(3)</u> Board of Directors 83.(3) The Directors shall have 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 first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.</p>	<p><u>Article 83.(3)</u> Board of Directors 83.(3) The Directors shall have 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 first <u>annual</u> general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following<u>first</u> annual general meeting of the Company <u>after his appointment</u> and shall then be eligible for re-election.</p>
<p><u>Article 83.(5)</u> Board of Directors 83.(5) The Members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).</p>	<p><u>Article 83.(5)</u> Board of Directors 83.(5) The Members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove a Director <u>including a managing Director or other executive Director</u> at any time before the expiration of his period<u>term</u> of office notwithstanding anything to the contrary in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 85.</u> Retirement of Directors 85. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.</p>	<p><u>Article 85.</u> Retirement of Directors 85. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend, <u>speak</u> and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 147.</u> Accounting records 147. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Law or necessary to give a true and fair view of the Company’s affairs and to explain its transactions.</p>	<p><u>Article 147.</u> Accounting records 147. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Law or necessary to give a true and fair view of the Company’s affairs and to explain its transactions. <u>The financial year end of the Company shall be 31 December in each calendar year or as otherwise determined by the Board.</u></p>
<p><u>Article 152.(1)</u> Audit 152.(1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.</p>	<p><u>Article 152.(1)</u> Audit 152.(1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the <u>The Members shall may by ordinary resolution</u> appoint an auditor to audit the accounts of the Company and such auditor shall hold office until <u>the conclusion of the</u> next annual general meeting. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.</p>

APPENDIX III THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Existing provisions of the Articles (if any)	Proposed amendments to the Articles
<p><u>Article 152.(2)</u> Audit 152.(2) The Members may, at any general meeting convened and held in accordance with these Articles, by special resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>	<p><u>Article 152.(2)</u> Audit 152.(2) The Members may, at any general meeting convened and held in accordance with these Articles, by special <u>ordinary</u> resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>
<p><u>Article 154.</u> Audit 154. The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may determine.</p>	<p><u>Article 154.</u> Audit 154. The remuneration of the Auditor shall be fixed by the Company in general meeting <u>by ordinary resolution</u> or in such manner as the Members may determine.</p>
<p><u>Article 162.(2)</u> Winding Up 162.(2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.</p>	<p><u>Article 162.(2)</u> Winding Up 162.(2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.</p>

NOTICE OF ANNUAL GENERAL MEETING



CHEN XING

Chen Xing Development Holdings Limited

辰興發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2286)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Chen Xing Development Holdings Limited (the “**Company**”) will be held at Conference Room, 6th Floor, Chen Xing Tower, 131 West Yingbin Street, Yuci District, Jinzhong City, Shanxi Province, the People’s Republic of China on Wednesday, 24 May 2023 at 10 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditor for the year ended 31 December 2022.
2. (a) To re-elect the following retiring directors of the Company:
 - (i) Mr. Bai Xuankui as executive director;
 - (ii) Mr. Qiu Yongqing as independent non-executive director; and
 - (iii) Mr. Tian Hua as independent non-executive director.
- (b) To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
3. To re-appoint BDO Limited as auditor of the Company and to authorise the board of directors of the Company to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

4. To consider and, if thought fit, to pass (with or without amendments) the following resolutions as ordinary resolutions:

(A) **“That:**

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20 % of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

(a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

(1) the conclusion of the next annual general meeting of the Company;

(2) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or the articles of association of the Company; or

(3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

(b) “Rights Issue” means an offer of shares of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares of the Company whose names appear on the register of members on a fixed record date in proportion to their holdings of shares (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, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) **“That:**

(i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited under the Code on Share Buy-backs and, subject to and in accordance with all

NOTICE OF ANNUAL GENERAL MEETING

applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;

- (ii) the aggregate number of shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10 % of the number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or the articles of association of the Company; or
 - (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**That** conditional upon ordinary resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition thereto of such number of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting,

NOTICE OF ANNUAL GENERAL MEETING

provided that such amount of shares of the Company shall not exceed 10 % of the number of issued shares of the Company at the date of passing of the said resolutions.”

SPECIAL RESOLUTION

5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT:**

- (a) the proposed amendments (the “**Proposed Amendments**”) to the existing memorandum and articles of association of the Company, the details of which are set forth in Appendix III to the circular of the Company dated 28 April 2023, be and are hereby approved; and
- (b) the amended and restated memorandum and articles of association of the Company (incorporating the Proposed Amendments), a copy of which has been produced to this meeting and marked “A” and initialled by the chairman of the meeting, be and is hereby approved and adopted in substitution for, and to the exclusion of, the existing memorandum and articles of association of the Company with immediate effect upon the close of this meeting.

By order of the board of the directors
Chen Xing Development Holdings Limited
Bai Xuankui
Chairman

Shanxi, the PRC, 28 April 2023

<i>Registered office:</i>	<i>Head office and principal place of business in the PRC:</i>	<i>Principal place of business in Hong Kong:</i>
Cricket Square	18 Anning Street	40th Floor,
Hutchins Drive	Yuci District	Dah Sing Financial Centre
PO Box 2681	Jinzhong City	No. 248 Queen’s Road East
Grand Cayman	Shanxi Province	Wanchai
KY1-1111, Cayman Islands	The PRC	Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company
- (ii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) In order to be valid, a form of proxy must be deposited at the Company's branch share registrar in Hong Kong, 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 notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. before 10 a.m. on Monday, 22 May 2023 or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (iv) The transfer books and register of members of the Company will be closed from Friday, 19 May 2023 to Wednesday, 24 May 2023, both days inclusive, to determine the entitlement of the shareholders to attend and vote at the above meeting, during which period no share transfers can be registered. All share transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch 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 not later than 4:30 p.m. on Thursday, 18 May 2023. Shareholders whose names appear on the register of members of the Company on 24 May 2023 will be eligible to attend and vote at the Annual General Meeting.
- (v) In respect of ordinary resolutions numbered 2(a) above, Mr. Bai Xuankui, Mr. Qiu Yongqing and Mr. Tian Hua shall retire by rotation at the above meeting and, being eligible, offered themselves for re-election as directors. Details of the above retiring directors are set out in Appendix I to a circular of the Company dated 28 April 2023.
- (vi) In respect of ordinary resolution numbered 4(B) above, the directors of the Company wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances where they consider that the repurchase would be in the best interest of the Company and its shareholders. An explanatory statement containing the information necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the general mandate to repurchase shares of the Company, as required by the Listing Rules, is set out in Appendix II to a circular of the Company dated 28 April 2023.

As at the date of this notice, the executive directors of the Company are Mr. Bai Xuankui, Mr. Bai Wukui, Mr. Bai Guohua and Mr. Dong Shiguang and the independent non-executive directors of the Company are Mr. Tian Hua, Mr. Qiu Yongqing and Ms. Gao Jianhua.