
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 licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Yangzhou Guangling District Taihe Rural Micro-finance Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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TaiHe

YANGZHOU GUANGLING DISTRICT TAIHE RURAL MICRO-FINANCE COMPANY LIMITED

揚州市廣陵區泰和農村小額貸款股份有限公司

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

(Stock Code: 8252)

RE-ELECTION OF DIRECTORS, RE-ELECTION OF SUPERVISORS, AMENDMENTS TO THE ARTICLES OF ASSOCIATION, GENERAL MANDATE TO ISSUE SHARES AND ISSUE OF DEBT FINANCING INSTRUMENTS

The extraordinary general meeting of the Company (“EGM”) will be held at 10 a.m. on Tuesday, 9 January 2018 at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, PRC. The revised notice convening the EGM, has been sent to you on 20 November 2017.

Proxy form to be used by Shareholders on the EGM have been sent to you on 20 November 2017. Whether or not you intend to attend the EGM in person, you are advised to complete the proxy form. The proxy form for holders of H Shares should be returned to Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, and the proxy form for holders of Domestic Shares should be returned to the registered business address of the Company at Beizhou Road, Lidian Town, Guangling District, Yangzhou City, Jiangsu Province, the PRC, either by hand or by post by 24 hours before the time fixed for holding the EGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM, or any adjourned meeting, in person, if you so wish.

Shareholders who intend to attend the EGM in person or by proxy are required to return the completed reply slip to Tricor Investor Services Limited (for holders of H Shares) or to the registered business address of the Company (for holders of Domestic Shares) on or before Wednesday, 20 December 2017.

This circular will remain on the “Latest Company Announcements” page of the website of the Growth Enterprise Market of the Stock Exchange (“GEM”) (www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company (www.gltaihe.com).

29 November 2017

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	<i>Pages</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
Introduction	3
EGM and Proxy Arrangement	14
Responsibility Statement	15
Recommendation	16
APPENDIX I — BIOGRAPHICAL DETAILS OF THE DIRECTORS AND THE SUPERVISORS TO BE RE-ELECTED	17

DEFINITIONS

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

“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time
“Board”	the board of Directors
“Company”	Yangzhou Guangling District Taihe Rural Micro-finance Company Limited (揚州市廣陵區泰和農村小額貸款股份有限公司), whose H Shares are listed and traded on the GEM on 8 May 2017 (stock code: 8252)
“Director(s)”	the director(s) of the Company
“Domestic Shares”	the ordinary shares in issue in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed in RMB and/or credited as fully paid in RMB by PRC natural persons or entities established under the laws of the PRC and all of such shares have not listed on the Stock Exchange
“EGM”	the extraordinary general meeting or any adjourned meeting thereof (as the case may be) to be held at 10 a.m. on Tuesday, 9 January 2018 at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, PRC
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“H Shares”	the ordinary shares in issue in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK Dollars and listed on the GEM (stock code: 8252)
“HK\$” or “HK Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong” or “HK”	Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	23 November 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein

DEFINITIONS

“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB” or “Reminbi”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, modified or otherwise supplemented from time to time
“Shares”	Domestic Shares and/or H Shares
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“%”	percentage

LETTER FROM THE BOARD

TaiHe

**YANGZHOU GUANGLING DISTRICT TAIHE RURAL
MICRO-FINANCE COMPANY LIMITED**

揚州市廣陵區泰和農村小額貸款股份有限公司

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

(Stock Code: 8252)

Executive Directors:

Mr. Bo Wanlin
Ms. Bai Li
Ms. Zhou Yinqing

Non-executive Directors:

Mr. Bo Nianbin
Mr. Zuo Yuchao

Independent Non-executive Directors:

Mr. Bao Zhenqiang
Mr. Wu Xiankun
Mr. Chan So Kuen

Registered Office:

Beizhou Road, Lidian Town,
Guangling District,
Yangzhou City, Jiangsu Province,
the PRC

Principle Place of Business in Hong Kong:

18/F, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

29 November 2017

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS,
RE-ELECTION OF SUPERVISORS,
AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
GENERAL MANDATE TO ISSUE SHARES
AND
ISSUE OF DEBT FINANCING INSTRUMENTS**

INTRODUCTION

The purpose of this circular is to provide you with the relevant information on certain ordinary resolutions and special resolutions to be proposed on the EGM to enable you to make an informed decision on whether to vote for or against or abstain from voting on any of those resolutions at the EGM:

ORDINARY RESOLUTIONS

1. To re-elect the Directors and to authorise the Board to fix their remuneration;

LETTER FROM THE BOARD

2. To re-elect the Supervisors and to authorise the Board to fix their remuneration;

SPECIAL RESOLUTIONS

3. To consider and approve the amendments to the Articles of Association;
4. To consider and approve the general mandate to issue Shares; and
5. To consider and approve the issue of debt financing instruments.

(1) To re-elect the Directors and to authorise the Board to fix their remuneration

Pursuant to the Articles of Association, the term of the fourth session of the Board will expire on 15 January 2018. The fourth session of the Board proposed to elect Mr. Bo Wanlin, Ms. Bai Li and Ms. Zhou Yinqing as executive Directors of the fifth session of the Board, Mr. Bo Nianbin and Mr. Zuo Yuchao as non-executive Directors of the fifth session of the Board, and Mr. Bao Zhenqiang, Mr. Wu Xiankun and Mr. Chan So Kuen as independent non-executive Directors of the fifth session of the Board.

According to the Articles of Association, the following ordinary resolutions will be proposed by the Board at the EGM:

- (i) to consider and approve the election of Mr. Bo Wanlin as an executive Director of the fifth session of the Board of the Company.
- (ii) to consider and approve the election of Ms. Bai Li as an executive Director of the fifth session of the Board of the Company.
- (iii) to consider and approve the election of Ms. Zhou Yinqing as an executive Director of the fifth session of the Board of the Company.
- (iv) to consider and approve the election of Mr. Bo Nianbin as a non-executive Director of the fifth session of the Board of the Company.
- (v) to consider and approve the election of Mr. Zuo Yuchao as a non-executive Director of the fifth session of the Board of the Company.
- (vi) to consider and approve the election of Mr. Bao Zhenqiang as an independent non-executive Director of the fifth session of the Board of the Company.
- (vii) to consider and approve the election of Mr. Wu Xiankun as an independent non-executive Director of the fifth session of the Board of the Company.

LETTER FROM THE BOARD

(viii) to consider and approve the election of Mr. Chan So Kuen as an independent non-executive Director of the fifth session of the Board of the Company.

(ix) to consider and approve the authorisation for the Board to fix the Directors' remuneration.

The biographical details of candidates for Directors are set out in the Appendix I to this circular.

(2) To re-elect the supervisors of the Company and to authorise the Board to fix their remuneration

Pursuant to the Articles of Association, the term of the fourth session of the Supervisory Committee of the Company will expire on 15 January 2018. The fourth session of the Supervisory Committee proposed to elect Ms. Wang Chunhong and Ms. Li Guoyan as the shareholder representative Supervisors of the fifth session of the Supervisory Committee of the Company. The Company will appoint one employee representative Supervisor by way of election at the meeting of representatives of employees in due course.

According to the Articles of Association, the following ordinary resolutions will be proposed by the Supervisory Committee at the EGM:

(i) to consider and approve the election of Ms. Wang Chunhong as the shareholder representative Supervisor of the fifth session of the Supervisory Committee of the Company.

(ii) to consider and approve the election of Ms. Li Guoyan as the shareholder representative Supervisor of the fifth session of the Supervisory Committee of the Company.

(iii) to consider and approve the authorisation of the Board to fix the Supervisors' remuneration.

The biographical details of the candidates for Supervisors are set out in the Appendix I to this circular.

(3) To consider and approve the amendments to the Articles of Association

It is proposed to the Shareholders to consider and approve certain amendments to the Articles of Association at the EGM, details of which are as follows:

Amendment to Article 7 of the Articles of Association

Original:

Article 7 These Articles of Association shall take effect from the date of incorporation of the Company. From the effective date of these Articles of Association, these Articles of Association shall become a legally-binding document which regulates the Company's organization and acts, the rights and obligations between the Company and shareholders and amongst the shareholders.

LETTER FROM THE BOARD

Amend to:

Article 7 These Articles of Association were passed by the general meeting of the Company and approved by the relevant departments of PRC and take effect from the date of listing of the overseas listed foreign share on the Stock Exchange of Hong Kong Limited and replaced the Articles of Association and its amendment at the registration in Administration for Industry and Commerce.

From the effective date of these Articles of Association, these Articles of Association shall become a legally-binding document which regulates the Company's organization and acts, the rights and obligations between the Company and shareholders and amongst the shareholders.

Amendment to Article 20 of the Articles of Association

Original:

Article 20 As reviewed and approved by the authorities authorised by the State Council, the total number of outstanding ordinary shares of the Company is 4,500,000,000 shares, and the Company issued 450,000,000 ordinary shares to its promoters at its establishment, accounting for 100% of the outstanding ordinary shares of the Company.

Amend to:

Article 20 The Company issued 450,000,000 ordinary shares to its promoters before the issuance of overseas listed foreign shares, accounting for 100% of the outstanding ordinary shares of the Company.

Amendment to Article 21 of the Articles of Association

Original:

Article 21 With the approval of the China Securities Regulatory Commission, the Company may issue 150,000,000 overseas listed foreign shares, and may allot additional overseas listed foreign shares not exceeding 25% of the said number.

With the approval of the China Securities Regulatory Commission, the shareholding structure of the Company as of the listing date is: 600,000,000 ordinary shares, of which the promoter holds 445,500,000 shares in aggregate, other domestic shareholders hold 4,500,000 shares and overseas shareholder hold 150,000,000 shares.

Amend to:

Article 21 With the approval of the China Securities Regulatory Commission, the Company may issue 150,000,000 overseas listed foreign shares, and may allot additional overseas listed foreign shares not exceeding 15% of the said number according to the market condition.

LETTER FROM THE BOARD

With the approval of the China Securities Regulatory Commission, the shareholding structure of the Company as of the listing date is: 600,000,000 ordinary shares, of which other domestic shareholders hold 450,000,000 shares and overseas shareholder hold 150,000,000 shares.

Amendment to Article 32 of the Articles of Association

Original:

Article 32 As approved by relevant authorities, the Company may repurchase its shares by the following means:

- (1) by making a general offer to all of its shareholders for the repurchase of shares on a pro rata basis;
- (2) by open dealing on a stock exchange(s);
- (3) by an off-market agreement outside of the stock exchange(s).

Amend to:

Article 32 As approved by relevant authorities, the Company may repurchase its shares by the following means:

- (1) by making a general offer to all of its shareholders for the repurchase of shares on a pro rata basis;
- (2) by open dealing on a stock exchange(s);
- (3) by an off-market agreement outside of the exchange(s);
- (4) by other ways approved by regulatory authorities.

Amendment to Article 56 (IV) of the Articles of Association

Original:

Article 56 (IV) To transfer shares in accordance with laws, administrative regulations and these Articles of Association;

Amend to:

Article 56 (IV) To transfer shares in accordance with laws, administrative regulations, the listing rules of the stock exchange(s) where the shares of the company are listed and these Articles of Association;

LETTER FROM THE BOARD

Amendment to Article 69 of the Articles of Association

Original:

Article 69 Notice of general meeting shall be served to the shareholder (whether has voting right on general meeting or not) either by hand or by post in a prepaid mail, addressed to such shareholder at his registered address as shown in the register of shareholders. For holders of domestic shares, the notice of a general meeting may also be given by publishing an announcement.

The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the China Securities Regulatory Commission within the period of 45 to 50 days before convening the meeting. Once the announcement is published, all holders of domestic shares shall be deemed to have received the notice in relation to the general meeting.

Amend to:

Article 69 Notice of general meeting shall be served to the shareholder (whether has voting right on general meeting or not) either by hand or by post in a prepaid mail, addressed to such shareholder at his registered address as shown in the register of shareholders, or posted on the company website or the designated stock exchange's website where the shares of the Company are listed, subject to the applicable laws, rules and the listing rules of the stock exchange(s) where the shares of the Company are listed. For holders of domestic shares, the notice of a general meeting may also be given by publishing an announcement.

The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the China Securities Regulatory Commission within the period of 45 to 50 days before convening the meeting. Once the announcement is published, all holders of domestic shares shall be deemed to have received the notice in relation to the general meeting.

Amendment to Article 86 of the Articles of Association

Original:

Article 86 The Chairman of the Board shall preside over the Shareholders' Meeting. If the Chairman of the Board is unable to attend the meeting for any reason, the meeting shall be chaired by the Vice Chairman of the Board. If both the Chairman of the Board and the vice Chairman of the Board are unable to attend the meeting, the Board may appoint a director of the Company to call and chair the meeting. In the event that no chairman of the meeting is so designated, the attending shareholders shall elect 1 of the directors to act as the chairman of the meeting. In the event that, for any reasons, the shareholders fail to elect a chairman, then the shareholder holding the largest number of the voting shares present in person or by proxy shall be the chairman of the meeting.

Amend to:

Article 86 The Chairman of the Board shall preside over the Shareholders' Meeting. If the Chairman of the Board is unable to attend the meeting for any reason, the Board may appoint a director

LETTER FROM THE BOARD

of the Company to call and chair the meeting. In the event that no chairman of the meeting is so designated, the attending shareholders shall elect one of the directors to act as the chairman of the meeting. In the event that, for any reasons, the shareholders fail to elect a chairman, then the shareholder holding the largest number of the voting shares present in person or by proxy shall be the chairman of the meeting.

Amendment to Article 103 of the Articles of Association

Original:

Article 103

The Chairman and vice-chairman of the Board shall be elected and removed by more than half of all of the directors. The term of office of the Chairman and vice-chairman shall be three years and they are eligible for re-election upon expiry of their terms of office.

Amend to:

Article 103

The Chairman of the Board shall be elected and removed by more than half of all of the directors. The term of office of the Chairman shall be three years and they are eligible for re-election upon expiry of their terms of office.

Amendment to Article 107 of the Articles of Association

Original:

Article 107 The Chairman of the Board is entitled to the following powers:

- (1) to preside over general meetings and to convene and preside over Board meetings;
- (2) to check on the implementation of resolutions of the Board;
- (3) to sign on securities issued by the Company;
- (4) to exercise other duties and powers granted by the Board.

Where the Chairman of the Board is unable to exercise and perform the above functions, the vice-chairman of the Board may under the authority given by the Chairman of the Board exercise and perform the same on his behalf.

LETTER FROM THE BOARD

Amend to:

Article 107 The Chairman of the Board is entitled to the following powers:

- (1) to preside over general meetings and to convene and preside over Board meetings;
- (2) to check on the implementation of resolutions of the Board;
- (3) to sign on securities issued by the Company;
- (4) to exercise other duties and powers granted by the Board.

Where the Chairman of the Board is unable to exercise and perform the above functions, the director of the Board may under the authority given by the Chairman of the Board exercise and perform the same on his behalf.

Amendment to Article 127 of the Articles of Association

Original:

Article 127 The meeting of the board of supervisors shall be held at least once every year, which shall be convened and presided over by the chairman of the board of supervisors. A supervisor may propose to convene an extraordinary meeting of the board of supervisors. Where the chairman of the board of supervisors is incapable of performing or fails to perform his duties, a supervisor elected by not less than half of the supervisors shall convene and preside over the meeting of the board of supervisors. A notice of the regular meeting of board of supervisors shall be given in writing ten days prior to the convening of such meeting. A notice of the extraordinary meeting of board of supervisors shall be given in writing 5 days prior to the convening of such meeting.

Amend to:

Article 127 The meeting of the board of supervisors shall be held at least once every six months, which shall be convened and presided over by the chairman of the board of supervisors. A supervisor may propose to convene an extraordinary meeting of the board of supervisors. Where the chairman of the board of supervisors is incapable of performing or fails to perform his duties, a supervisor elected by not less than half of the supervisors shall convene and preside over the meeting of the board of supervisors. A notice of the regular meeting of board of supervisors shall be given in writing ten days prior to the convening of such meeting. A notice of the extraordinary meeting of board of supervisors shall be given in writing 5 days prior to the convening of such meeting.

LETTER FROM THE BOARD

Amendment to Article 153 of the Articles of Association

Original:

Article 153 The financial reports of the Company shall be made available for shareholders' inspection at the Company 20 days prior to an annual general meeting to be convened. Each shareholder of the Company shall have the right to obtain a copy of the financial reports mentioned in this Chapter.

A company listed in Hong Kong shall, at least 21 days before the annual general meeting is convened, deliver the foregoing reports to each holder of overseas listed foreign shares by postage-paid mail at the recipient's address as registered in the shareholders register.

Amend to:

Article 153 The financial reports of the Company shall be made available for shareholders' inspection at the Company 20 days prior to an annual general meeting to be convened. Each shareholder of the Company shall have the right to obtain a copy of the financial reports mentioned in this Chapter.

Amendment to Article 154 of the Articles of Association

Original:

Article 154 The Company shall, at least 21 days before the date of convening the annual general meeting and within 4 months after the end of relevant financial year, deliver an annual report containing the annual accounts and relevant auditor's report to each holder of overseas listed foreign shares by postage-paid mail at the address of each of such shareholders as registered in shareholders register of the Company.

Amend to:

Article 154 The Company shall, at least 21 days before the date of convening the annual general meeting and within 3 months after the end of relevant financial year, deliver the aforementioned financial report to each holder of overseas listed foreign shares by postage-paid mail, or through other way allowed by the laws, rules, the listing rules of the stock exchange(s) of where company shares are listed (including the company website or the designated stock exchange's website where the company is listed or send out through email). The address of each shareholder registered with the register of members of the Company shall prevail.

LETTER FROM THE BOARD

Amendment to Article 157 of the Articles of Association

Original:

Article 157 The Company shall publish two financial reports in each fiscal year, that is an interim financial report within 60 days upon the completion of the first six months of the fiscal year and an annual financial report within 120 days upon the completion of the fiscal year.

Amend to:

Article 157 The Company shall publish two financial reports in each fiscal year, that is an interim financial report within 60 days upon the completion of the first six months of the fiscal year and an annual financial report within 90 days upon the completion of the fiscal year.

Amendment to Article 197 of the Articles of Association

Original:

Article 197 In case of any contradiction of these Articles of Association with any laws, administrative regulations, other relevant normative documents and listing rules of the place(s) in which the shares of the Company are listed, those laws, administrative regulations, other relevant normative documents and listing rules of the place(s) in which the shares of the Company are listed shall prevail.

Amend to:

Article 197 In case of any contradiction of these Articles of Association with any laws, administrative regulations, other relevant normative documents and listing rules of the stock change(s) on which the shares of the Company are listed, those laws, administrative regulations, other relevant normative documents and listing rules of the stock change(s) on which the shares of the Company are listed shall prevail.

(4) General mandate to issue Shares

To increase flexibility and efficiency in the Company's operation, a special resolution is proposed by the Company to grant the general mandate to the Directors to allot, issue and otherwise deal with additional Domestic Shares and/or H Shares, up to a limit of 20% of each of the number of the Domestic Shares and H Shares, respectively, in issue on the date of passing such resolution. As at the Latest Practicable Date, the issued share capital of the Company comprised 450,000,000 Domestic Shares and 150,000,000 H Shares. Subject to the passing of the resolution of the granting of the general mandate and on the basis that no further Shares will be issued before the EGM, the Company will be allowed to issue a maximum of 90,000,000 Domestic Shares and 30,000,000 H Shares under the general mandate.

The general mandate shall be deemed effective until 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

LETTER FROM THE BOARD

general meeting of the Company is required to be held by the Articles of Association or other applicable laws and regulations; or (iii) the date on which the granted authority under relevant resolution of the Shareholders is revoked or varied by a special resolution of the Shareholders in a general meeting.

Pursuant to the general mandate, the Board shall be authorised to determine the specific issue plan, including but not limited to: (i) to determine the amount of the new Domestic Shares and/or H Shares to be allotted; (ii) to determine the issue price of the new Domestic Shares and/or H Shares; (iii) to determine the date(s) on which the issue of new Domestic Shares and/or H Shares is/are to be commence and close; (iv) to determine the number of new Domestic Shares and/or H Shares, if applicable, to be issued to the existing holders of Domestic Shares and/or H Shares; (v) to make or grant an offer, agreement and option necessary for the exercise of such powers; and (vi) where prohibited and required by foreign laws or regulations, or by other reasons which in the opinion of the Board are appropriate, to determine that the offer of subscription for and issue of shares to holders of H Shares shall exclude shareholders residing in the PRC or the offer of subscription for and issue of shares to holders of Domestic Shares shall exclude shareholders residing outside the PRC.

Any exercise of the power by the Board under the general mandate shall comply with the relevant requirements of the Listing Rules, the Articles of Association, the applicable laws and regulations of the PRC and all the necessary approvals of relevant government authorities. As at the Latest Practicable Date, the Board does not have any definitive plan to issue any new Shares pursuant to the general mandate.

(5) Issue of debt financing instruments

In order to further expand financing channels, business development and lower the financing cost of the Company, the Board resolved to submit to the Shareholders at the EGM for consideration and, if thought fit, approval of the proposed issue of the debt financing instrument with an aggregate principal amount of not more than RMB300 million (including RMB300 million) (the “**Debt Financing Instruments**”) inside or outside the PRC.

According to the laws and regulations of the PRC and the Articles of Association, the proposed issue of the Debt Financing Instruments is subject to the approval of the Shareholders by way of a special resolution at the EGM and the approval by relevant regulatory authorities.

(1) Arrangements for the issue

- (a) Size of issue: not more than RMB300 million in aggregate (including RMB300 million), excluding existing debt financing instruments;
- (b) Categories of issue: one or several categories of Debt Financing Instruments including but not limited to private placement of debt financing instruments, corporate bonds and/or convertible bonds inside or outside the PRC;

LETTER FROM THE BOARD

- (c) Maturity: not more than three years (including three years);
- (d) Use of proceeds: supplement of working capital; and
- (e) Term of validity of the resolution: the authority of a special resolution passed at the EGM will expire 12 months after the date of the passing of such resolution.

(2) Authorisation to the Board

It will be submitted to the EGM to authorise the Board to deal with, in the best interest of the Company, all matters relating to the proposed issue of Debt Financing Instruments, including but not limited:

- (i) to consider the issue of Debt Financing Instruments in accordance with the needs of the Company, to deal with the specific proposals, specific terms and conditions and other relevant matters for the issue of public Debt Financing Instrument in accordance with the market conditions, including but not limited to the issue subject, size of issue, interest rate, duration, type and condition of guarantee, intended investors, issuing time, model, pricing method, underwriting, use of proceeds, arrangement for offering in tranches (if any) and producing, filing, executing, signing, accepting and publishing of any necessary legal documents;
- (ii) to make any changes or adjustments to the relevant matters of the issue of the Debt Financing Instruments with reference to the comments from relevant regulatory authorities or the market conditions if there is any change to the regulatory policies or the market conditions;
- (iii) to sign all necessary legal documents regarding to the issue of Debt Financing Instruments;
- (iv) to decide the engagement of intermediaries necessary for the issue of Debt Financing Instruments; and
- (v) to determine any other matters relating the issue of Debt Financing Instruments.

EGM AND PROXY ARRANGEMENT

Notice

The EGM will be held at 10 a.m. on Tuesday, 9 January 2018 at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, PRC. The Revised Notice of the EGM has been sent to you on 20 November 2017.

Closure of books

The register of members of the Company will be closed from Saturday, 9 December 2017 to Tuesday, 9 January 2018, both days inclusive, during which no transfer of shares will be registered.

LETTER FROM THE BOARD

Only Shareholders of the Company whose names appear on the register of members of the Company on Tuesday, 9 January 2018 or their proxies or duly authorised corporate representatives are entitled to attend the EGM. In order to qualify for attending and voting at the EGM, all properly completed transfer documents accompanied with relevant share certificates must be lodged with the Company's H share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (for holders of H shares), or the Company's registered office in the PRC at Beizhou Road, Lidian Town, Guangling District, Yangzhou City, Jiangsu Province, the PRC (for holders of domestic shares) not later than 4:30 p.m. on Friday, 8 December 2017.

Attendance slip and proxy form

If you are eligible and intend to attend the EGM, please complete and return the attendance slip, in accordance with the instructions printed thereon as soon as possible and in any event no later than 20 days before the date appointed for holding such meeting or any adjournment thereof.

Shareholders who intend to attend the EGM by proxy are required to complete and return the proxy form, in accordance with the instructions printed thereon as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Voting by poll at the EGM

Pursuant to Rule 17.47(4) of the Listing Rules, the resolutions to be proposed at the general meeting must be taken by poll.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share of the Company registered in his or her name in the register of Shareholders. A Shareholder entitled to more than one vote need not use all his or her votes or cast all the votes he or she uses in the same way.

RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that all resolutions set out in the Revised Notice of EGM for Shareholders' consideration and approval are in the interests of the Company and its Shareholders as a whole. As such, the Board recommends the Shareholders to vote in favor of the resolutions set out in the Revised Notice of EGM which are to be proposed at the EGM.

By Order of the Board
**Yangzhou Guangling District Taihe Rural
Micro-finance Company Limited**
Bo Wanlin
Chairman

The candidates for Directors and Supervisors recommended by the Board for re-election at the EGM are set out below:

DIRECTOR**Executive Directors**

Mr. Bo Wanlin (柏萬林), aged 68, is the chairman of the Board and executive Director. He is primarily responsible for corporate strategic planning and overall business development and management of the Company. He is also the chairman of the nomination committee. Mr. Bo is the father of Mr. Bo Nianbin and Ms. Bai Li.

From February 1973 to December 1990, Mr. Bo was the director and the secretary of branch of the Party of Yangzhou Zhenxing Garment Factory (揚州市振興服裝廠) (a garment manufacturing and sales company), and was fully responsible for company's operations and management as well as the Party and political works. From January 1991 to July 1996, Mr. Bo was the chairman and general manager of Jiangsu Qinman Group Limited (江蘇琴曼集團有限公司), and was fully responsible for company's operations and management. From August 1996 to November 2014, Mr. Bo Wanlin was the chairman of Jiangsu Botai Group Co., Ltd. (江蘇柏泰集團有限公司) ("**Botai Group**") (a garment manufacturing, import and export, sales, and investment management company), formulating the company's operational development strategy and planning, overseeing the operations and management of the company. From November 2009 to September 2014, Mr. Bo was a director of Jiangsu Hanjiang Mintai Rural Bank Co., Ltd. (江蘇邗江民泰村鎮銀行股份有限公司), involved in the formulation of the company's operational development strategy and planning. From October 2013 to January 2015, Mr. Bo served as a supervisor of Yangzhou Guangling Zhongcheng Rural Bank Co., Ltd. (揚州廣陵中城村鎮銀行股份有限公司) to supervise the performance of the board of directors of the company.

Mr. Bo once served as the chairman and legal representative of 揚州唯一製衣有限公司 (Yangzhou Weiyi Garment Manufactory Co., Ltd.), a company incorporated in the PRC. Its business scope includes manufactory and sale of luxury garment. Since this company no longer carried on business and did not conduct annual inspection, the business license of this company was revoked on 16 April 2008. Mr. Bo once served as the supervisor of 江蘇凱昌服裝有限公司 (Jiangsu Kaichang Garment Co., Ltd.), a company incorporated in the PRC. Its business scope includes manufacture and sale of garment. Since this company no longer carried on business and did not conduct annual inspection, the business license of this company was revoked on 2 December 2010.

Mr. Bo completed his secondary school education in Jiangsu Province Hanjiang Middle School (江蘇省邗江中學) in the PRC in 1968.

Mr. Bo has been the chairman and executive Director of the Company since its incorporation in November 2008. Mr. Bo has entered into a service contract with the Company in April 2017 and has been appointed as the executive Director until the fourth session of the Board expires. An ordinary resolution will be proposed at the EGM to re-elect Mr. Bo as the executive Director of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Mr. Bo will be

renewed automatically. As at the Latest Practicable Date, Mr. Bo is entitled to receive an annual director's fee of RMB500,000, which are determined after arm's length negotiation between Mr. Bo and the Company on the basis of his past experiences, professional qualifications, responsibilities involved in the Company and time devoted in the Company's business, as well as the current financial position of the Company and the prevailing market condition.

As at the Latest Practicable Date, Mr. Bo is beneficially interested in 430,100,000 Domestic Shares and approximately 50.00% shareholding percentage in the relevant class of Shares in Botai Group, an associated corporation of the Company within the meaning of Part XV of the SFO, which is required to be disclosed under Part XV of the SFO. Apart from those disclosed above, Mr. Bo does not have any interest in the shares, underlying shares or debentures of the Company (as defined in Part XV of the SFO).

Save as disclosed above, (i) Mr. Bo has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he does not hold any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no other information that should be disclosed for Mr. Bo pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

Ms. Bai Li (柏莉), aged 42, is the executive Director and the general manager of the Company. She is primarily responsible for formulating and implementing our corporate strategies, overseeing our overall business development and participating in the day-to-day management of our business operations. Ms. Bai is the daughter of Mr. Bo Wanlin and the sister of Mr. Bo Nianbin.

From August 1998 to March 2010, Ms. Bai was a customer manager of the Bank of Communications Co., Ltd. Yangzhou Branch (交通銀行股份有限公司揚州分行) (Stock Code: 601328.SH, 3328.HK), responsible for loan investigation and issue. From March 2010 to August 2012, Ms. Bai was a supervisor of Botai Group, supervising the performance of the board of directors of the company.

Ms. Bai graduated from Yangzhou University (揚州大學) in the PRC in July 1997 majoring in international business.

Ms. Bai joined the Company on 1 July 2010 as a deputy general manager and was subsequently promoted as a general manager on 6 May 2013 for the overall management and operations. Ms. Bai has entered into a service contract with the Company in April 2017 and has been appointed as the executive Director until the fourth session of the Board expires. An ordinary resolution will be proposed at the EGM to re-elect Ms. Bai as the executive Director of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Ms. Bai will be renewed automatically. As

at the Latest Practicable Date, Ms. Bai is entitled to receive an annual director's fee of RMB150,000, which are determined after arm's length negotiation between Ms. Bai and the Company on the basis of her past experiences, professional qualifications, responsibilities involved in the Company and time devoted in the Company's business, as well as the current financial position of the Company and the prevailing market condition.

As at the Latest Practicable Date, Ms. Bai is beneficially interested in 10,000,000 Domestic Shares and approximately 16.67% shareholding percentage in the relevant class of Shares in Botai Group, an associated corporation of the Company within the meaning of Part XV of the SFO, which is required to be disclosed under Part XV of the SFO. Apart from those disclosed above, Ms. Bai does not have any interest in the shares, underlying shares or debentures of the Company (as defined in Part XV of the SFO).

Save as disclosed above, (i) Ms. Bai has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) she does not hold any other positions in the Company and its subsidiaries; and (iii) she does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no other information that should be disclosed for Ms. Bai pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

Ms. Zhou Yinqing (周吟青), aged 39, is the executive Director and the deputy general manager. She is primarily responsible for overseeing the financial management of the Company.

From March 1996 to March 2014, Ms. Zhou was the financial controller (last position) of Botai Group and was responsible for the financial management of Botai Group.

Ms. Zhou graduated from Central Radio and Television University (中央廣播電視大學, currently known as The Open University of China (國家開放大學)) majoring in financial accounting in the PRC in July 2007.

Ms. Zhou was appointed as an executive Director in May 2013 and was appointed as the deputy general manager on 10 March 2014. Ms. Zhou has entered into a service contract with the Company in April 2017 and has been appointed as the executive Director until the fourth session of the Board expires. An ordinary resolution will be proposed at the EGM to re-elect Ms. Zhou as the executive Director of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Ms. Zhou will be renewed automatically. As at the Latest Practicable Date, Ms. Zhou is entitled to receive an annual director's fee of RMB120,000, which are determined after arm's length negotiation between Ms. Zhou and the Company on the basis of her past experiences, professional qualifications, responsibilities involved in the Company and time devoted in the Company's business, as well as the current financial position of the Company and the prevailing market condition.

As at the Latest Practicable Date, Ms. Zhou is beneficially interested in 700,000 domestic shares, which is required to be disclosed under Part XV of the SFO. Apart from those disclosed above, Ms. Zhou does not have any interest in the shares, underlying shares or debentures of the Company (as defined in Part XV of the SFO).

Save as disclosed above, (i) Ms. Zhou has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) she does not hold any other positions in the Company and its subsidiaries; and (iii) she does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no other information that should be disclosed for Ms. Zhou pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

Non-executive Directors

Mr. Bo Nianbin (柏年斌), aged 43, was appointed as non-executive Director in November 2008. He is primarily responsible for attending meetings of our Board to perform duties as a Board member, but not participating in the day-to-day management of the Company's business operations. Mr. Bo is the son of Mr. Bo Wanlin and the brother of Ms. Bai Li.

Since April 1995, Mr. Bo has served as a director of Botai Group. He was responsible for formulating the company's operational development strategy and planning. Since July 2001, Mr. Bo has served as a director and general manager of Yangzhou Bo Tai Garment Company Limited (揚州柏泰製衣有限公司), a company that manufactures and sells garments, fully responsible for the company's operation and management. From November 2004 to the present day, Mr. Bo served as a supervisor of Jiangsu Liantai Fashion Shopping Mall Real Estate Co., Ltd. (江蘇聯泰時尚購物廣場置業有限公司), a company principally engaged in the business of household building materials, supervising the company. From November 2014 to the present day, Mr. Bo served as a supervisor of Shanghai Boke Fashion Co., Ltd. (上海柏可時裝有限公司), a garment sales company, supervising the performance of the board of directors of the company. Since December 2014, Mr. Bo has been the chairman of Botai Group and is responsible for the formulation of the company's operational development strategy and planning and overseeing the company's operation and management. Since March 2017, Mr. Bo has been the chairman and the general manager of Jiangsu Botai Company Limited (江蘇柏泰股份有限公司), a company that manufactures and sells garment, and is fully responsible for the operation and management of the company.

Mr. Bo completed his secondary school education in Jiangsu Province Yangzhou Middle School (江蘇省揚州中學) in the PRC in May 1992.

Mr. Bo has entered into a service contract with the Company in April 2017 and has been appointed as the non-executive Director until the fourth session of the Board expires. An ordinary resolution will be proposed at the EGM to re-elect Mr. Bo as the non-executive Director of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Mr. Bo will be renewed automatically. As at the Latest Practicable Date, Mr. Bo does not receive any director's fee.

As at the Latest Practicable Date, Mr. Bo is beneficially interested in approximately 16.67% shareholding percentage in the relevant class of Shares in Botai Group, an associated corporation of the Company within the meaning of Part XV of the SFO, which is required to be disclosed under Part XV of the SFO. Apart from those disclosed above, Mr. Bo does not have any interest in the shares, underlying shares or debentures of the Company (as defined in Part XV of the SFO).

Save as disclosed above, (i) Mr. Bo has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he does not hold any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no other information that should be disclosed for Mr. Bo pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

Mr. Zuo Yuchao (左玉潮), aged 46, was appointed as non-executive Director in November 2008. He is primarily responsible for attending meetings of our Board to perform duties as a Board member, but not participating in the day-to-day management of our business operations.

From July 1992 to December 1999, Mr. Zuo served as a loan officer of Agricultural Bank of China Limited Yangzhou Guangling Branch (中國農業銀行揚州廣陵支行) (stock code: 601288.SH) for loan review. Since December 1999, Mr. Zuo has been the general manager (last position) of Botai Group and is fully responsible for the company's operation and management. From March 2017 to the present, Mr. Zuo served as chairperson of the supervisory committee of Board in Jiangsu Botai Company Limited, a company that manufactures and sales garment, supervising the performance of the board of directors of the company.

Mr. Zuo graduated from Suzhou Urban Construction and Environmental Protection Institute (蘇州城建環保學院) (currently known as Suzhou University of Science and Technology (蘇州科技學院)) in July 1992 majoring in real estate management.

Mr. Zuo has entered into a service contract with the Company in April 2017 and has been appointed as the non-executive Director until the fourth session of the Board expires. An ordinary resolution will be proposed at the EGM to re-elect Mr. Zuo as the non-executive Director of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Mr. Zuo will be renewed automatically. As at the Latest Practicable Date, Mr. Zuo does not receive any director's fee.

As at the Latest Practicable Date, Mr. Zuo is beneficially interested in 2,600,000 domestic shares, which is required to be disclosed under Part XV of the SFO. Apart from those disclosed above, Mr. Zuo does not have any interest in the shares, underlying shares or debentures of the Company (as defined in Part XV of the SFO).

Save as disclosed above, (i) Mr. Zuo has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he does not hold any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no other information that should be disclosed for Mr. Zuo pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

Independent non-executive Directors

Mr. Bao Zhenqiang (包振強), aged 55, was appointed as an independent non-executive Director in May 2016. He is primarily responsible for attending meetings of our Board to perform duties as a Board member, but not participating in the day-to-day management of our business operations. He is also the chairman of the remuneration committee, the member of audit committee and the nomination committee.

Mr. Bao has over 35 years of teaching experience in the field of academic research and teaching. From February 1982 to July 2004, Mr. Bao was a teacher at Yangzhou University (揚州大學) and from July 2004 until now, he was a professor at Yangzhou University (揚州大學) and engaged in academic research and teaching.

Mr. Bao graduated from Yangzhou Industrial College (揚州工業專科學校) (currently known as Yangzhou University (揚州大學)) in December 1981 majoring in mechanical manufacturing. He obtained a doctorate degree in electric engineering from the Nanjing University of Aeronautics and Astronautics (南京航空航太大學) in December 2003.

Mr. Bao has entered into a service contract with the Company in April 2017 and has been appointed as the independent non-executive Director until the fourth session of the Board expires. An ordinary resolution will be proposed at the EGM to re-elect Mr. Bao as the independent non-executive Director of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Mr. Bao will be renewed automatically. As at the Latest Practicable Date, Mr. Bao is entitled to receive an annual director's fee of RMB20,000, which are determined after arm's length negotiation between Mr. Bao and the Company on the basis of his past experiences, professional qualifications, responsibilities involved in the Company and time devoted in the Company's business, as well as the current financial position of the Company and the prevailing market condition.

As at the Latest Practicable Date, Mr. Bao does not have any interest in the shares, underlying shares or debentures of the Company (as defined in Part XV of the SFO).

Save as disclosed above, (i) Mr. Bao has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he does not hold any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no other information that should be disclosed for Mr. Bao pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

Mr. Wu Xiankun (吳賢坤), aged 67, was appointed as an independent non-executive Director in May 2016. He is primarily responsible for attending meetings of our Board to perform duties as a Board member, but not participating in the day-to-day management of our business operations. He is also the member of the remuneration committee, audit committee and the nomination committee.

Mr. Wu has over 36 years of experience in teaching and administrative management. From February 1981 to July 1983, Mr. Wu was a teacher in Hanjiang County Middle School (邗江縣中學). From September 1983 to September 2000, Mr. Wu was the principal of Guangling Beizhou Middle School (廣陵北洲中學) and engaged in teaching and administrative work. From September 2000 to June 2010, Mr. Wu was the Party secretary of Hanjiang Secondary School (邗江中等專科學校) and was responsible for the party and government work.

Mr. Wu graduated from Yang Zhou Normal College (揚州師範學院) (currently known as Yangzhou University (揚州大學)) in January 1981 majoring in Chinese.

Mr. Wu has entered into a service contract with the Company in April 2017 and has been appointed as the independent non-executive Director until the fourth session of the Board expires. An ordinary resolution will be proposed at the EGM to re-elect Mr. Wu as the independent non-executive Director of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Mr. Wu will be renewed automatically. As at the Latest Practicable Date, Mr. Wu is entitled to receive an annual director's fee of RMB20,000, which are determined after arm's length negotiation between Mr. Wu and the Company on the basis of his past experiences, professional qualifications, responsibilities involved in the Company and time devoted in the Company's business, as well as the current financial position of the Company and the prevailing market condition.

As at the Latest Practicable Date, Mr. Wu does not have any interest in the shares, underlying shares or debentures of the Company (as defined in Part XV of the SFO).

Save as disclosed above, (i) Mr. Wu has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he does not hold any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no other information that should be disclosed for Mr. Wu pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

Mr. Chan So Kuen (陳素權), aged 38, was appointed as an independent non-executive Director in January 2015. He is primarily responsible for attending meetings of our Board to perform duties as a Board member, but not participating in the day-to-day management of our business operations. He is also the chairman of the audit committee and the member of remuneration committee.

Mr. Chan has over 15 years of experience in accounting, auditing and finance industry. He is also a member of the Hong Kong Institute of Certified Public Accountants. From June 2001 to October 2003, Mr. Chan was a semi-senior audit clerk of Ho and Ho & Company (何錫麟會計師行). From January 2004 to July 2009, Mr. Chan was appointed as a manager (the last position) of KPMG, and was responsible for the project audit. From November 2009 to October 2012, Mr. Chan was the chief financial officer and the company secretary of China Great Wall Electric Holdings Limited (中國長城電氣控股有限公司), responsible for compliance and overall financial and accounting activities. Since December 2013, Mr. Chan has been the chief financial officer and the company secretary of Huazhang Technology Holdings Limited (華章科技控股有限公司) (stock code: 1673.hk) and is responsible for internal control and overseeing financial and accounting activities. Since October 2014, Mr. Chan has served as an independent non-executive Director of Link Holdings Limited (華星控股有限公司) (Stock Code: 8237.hk), providing independent judgment on the issues of strategy, performance, resources and standard of conduct.

Mr. Chan obtained a Bachelor of Arts degree in Accountancy from the Hong Kong Polytechnic University in November 2001.

Mr. Chan has entered into a service contract with the Company in April 2017 and has been appointed as the independent non-executive Director until the fourth session of the Board expires. An ordinary resolution will be proposed at the EGM to re-elect Mr. Chan as the independent non-executive Director of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Mr. Chan will be renewed automatically. As at the Latest Practicable Date, Mr. Chan is entitled to receive an annual director's fee of RMB120,000, which are determined after arm's length negotiation between Mr. Chan and the Company on the basis of his past experiences, professional qualifications, responsibilities involved in the Company and time devoted in the Company's business, as well as the current financial position of the Company and the prevailing market condition.

As at the Latest Practicable Date, Mr. Chan does not have any interest in the shares, underlying shares or debentures of the Company (as defined in Part XV of the SFO).

Save as disclosed above, (i) Mr. Chan has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) he does not hold any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no other information that should be disclosed for Mr. Chan pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

SUPERVISORS

Ms. Wang Chunhong (王春宏), aged 67, was appointed as the chairman of the supervisory committee and the Supervisor with effect from January 2015.

Ms. Wang graduated from the long-distance learning courses of the Long Distance Learning School of China Central Party School (中共中央黨校函授學院) in the PRC in December 1999.

From August 1988 to July 2005, Ms. Wang Chunhong was a teacher of Hanjiang Professional Education Centre (邗江職教中心) where she engaged in teaching and research. Ms. Wang has retired since August 2005 and has not been engaged in any employment until her current position with our Company.

Saved as disclosed, Ms. Wang Chunhong has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or

overseas. Ms. Wang does not have any relationship with any other Directors, Supervisors, senior management or substantial or controlling shareholders of the Company. Ms. Wang does not hold any positions in the Company. Ms. Wang does not have any interests in the Shares within the meaning of Part XV of the SFO.

Ms. Wang has entered into a service contract with the Company in April 2017 and has been appointed as the shareholder representative Supervisor until the fourth session of the Supervisory Committee expires. An ordinary resolution will be proposed at the EGM to re-elect Ms. Wang as the shareholder representative Supervisor of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Ms. Wang will be renewed automatically. Ms. Wang is entitled to receive an annual supervisor's fee of RMB20,000. Ms. Wang shall retire by rotation in accordance with the Articles of Association of the Company.

There is no other information that should be disclosed for Ms. Wang pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.

Ms. Li Guoyan (李國彥), aged 38, was appointed as the Supervisor with effect from January 2015. Ms. Li graduated from Nanjing University of Aeronautics and Astronautics (南京航空航太大學) in June 2001 majoring in engineering management, and obtained a master's degree in technical economics and management from Nanjing University of Aeronautics and Astronautics (南京航空航太大學) in the PRC in April 2005.

From July 2005 till now, Ms. Li worked as a teacher at Nanjing University of Aeronautics and Astronautics, engaging in teaching.

Saved as disclosed, Ms. Li has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas. Ms. Li does not have any relationship with any other Directors, Supervisors, senior management or substantial or controlling shareholders of the Company. Ms. Li does not hold any positions in the Company. Ms. Li does not have any interests in the Shares within the meaning of Part XV of the SFO.

Ms. Li has entered into a service contract with the Company in April 2017 and has been appointed as the shareholder representative Supervisor until the fourth session of the Supervisory Committee expires. An ordinary resolution will be proposed at the EGM to re-elect Ms. Li as the shareholder representative Supervisor of the Company for a period of three years effective from the date of the EGM. Upon the approval of the re-election by the Shareholders, the service contract entered into between the Company and Ms. Li will be renewed automatically. Ms. Li is entitled to receive an annual supervisor's fee of RMB20,000.

There is no other information that should be disclosed for Ms. Li pursuant to the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, nor other matters that need to be brought to the attention of Shareholders.