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If you have sold or transferred all your shares in **Chi Ho Development Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

CHI HO DEVELOPMENT HOLDINGS LIMITED

潛濤發展控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8423)

- (1) PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED RE-APPOINTMENT OF THE AUDITOR;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

Capitalised terms used in the lower portion of the front and inside cover pages have the same meanings as those defined in the section headed “Definitions” of this circular.

A notice convening the Annual General Meeting to be held at Units 901, 902 and 908, 9/F, Magnet Place Tower 1, 77–81 Container Port Road, Kwai Chung, New Territories, Hong Kong on Thursday, 10 August 2023 at 11:00 a.m. is set out on pages 18 to 23 of this circular.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed with this circular for despatch to the Shareholders. Whether or not you intend to attend and/or vote at the Annual General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

This circular will remain on the Stock Exchange’s website at www.hkexnews.hk on the “Latest Listing Company Information” page for at least 7 days from the date of its posting and on the Company’s website at www.chdev.com.hk.

30 June 2023

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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>Page</i>
Definitions	1
Letter from the Board	4
Appendix I — Explanatory Statement for the Repurchase Mandate	10
Appendix II — Details of the Directors proposed to be re-elected at the Annual General Meeting	14
Notice of Annual General Meeting	18

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be convened and held at Units 901, 902 and 908, 9/F, Magnet Place Tower 1, 77–81 Container Port Road, Kwai Chung, New Territories, Hong Kong on Thursday, 10 August 2023 at 11:00 a.m. or any adjournment thereof (as the case may be), the notice of which is set out on pages 18 to 23 of this circular
“Articles of Association” or “Articles”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“associate(s)” or “close associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Branch Share Registrar”	Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong
“BVI”	the British Virgin Islands
“Companies Law”	the Companies Law as (revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Chi Ho Development Holdings Limited (潛濶發展控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed and traded on GEM
“Concert Parties Confirmatory Deed”	the confirmatory deed dated 11 November 2016, entered into by our ultimate Controlling Shareholders, namely Mr. Leung and Mr. Ho to acknowledge and confirm, among other things, that they are parties acting in concert in relation to the Group
“connected person(s)”	has the same meaning as ascribed to it under the GEM Listing Rules

DEFINITIONS

“Controlling Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules, and in the context of this circular, by virtue of the acting in concert arrangement between Mr. Leung and Mr. Ho, which are confirmed and documented in the Concert Parties Confirmatory Deed, means a group of Shareholders consisting of Mr. Leung and Mr. Ho and the companies wholly owned by each of them for holding the Shares, namely Sharp Talent and Diamondfield, respectively
“Diamondfield”	Diamondfield Holdings Limited, a company incorporated in BVI on 25 August 2016 with limited liability and wholly owned by Mr. Ho, being one of the Controlling Shareholders
“Director(s)”	the director(s) of the Company from time to time
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted, issued and dealt with under the General Mandate
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereto at the Annual General Meeting
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 June 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Date”	13 March 2017, the date on which dealing in the Shares first commenced on GEM
“Mr. Ho”	Mr. Ho Chi Kwan, an executive Director and one of the Controlling Shareholders

DEFINITIONS

“Mr. Leung”	Mr. Leung Ka Ho, Raymond, an executive Director and one of the Controlling Shareholders
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares, the aggregate number of which shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution at the Annual General Meeting
“SFO”	the Securities and Futures Ordinance, (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Sharp Talent”	Sharp Talent Holdings Limited, a company incorporated in BVI on 4 July 2016 with limited liability wholly owned by Mr. Leung, being one of the Controlling Shareholders
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers issued by the Securities and Futures Commission as amended, supplemented on otherwise modified from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD

CHI HO DEVELOPMENT HOLDINGS LIMITED

潛濤發展控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8423)

Executive Directors:

Mr. Leung Ka Ho, Raymond (*Chairman*)

Mr. Ho Chi Kwan

Independent non-executive Directors:

Mr. Leung Hung Kwong, Derrick

Mr. Moy Yee Wo, Matthew

Mr. Yau Sze Yeung

Registered office:

Windward 3, Regatta Office Park

PO Box 1350

Grand Cayman, KY1-1108

Cayman Islands

*Head office and principal place
of business in Hong Kong:*

Units 901, 902 and 908, 9/F

Magnet Place Tower 1

77-81 Container Port Road

Kwai Chung, New Territories

Hong Kong

30 June 2023

To the Shareholders,

Dear Sirs or Madams,

- (1) PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED RE-APPOINTMENT OF THE AUDITOR;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purposes of this circular are to provide you with information regarding certain resolutions to be proposed at the Annual General Meeting to enable the Shareholders to make an informed decision on whether to vote for or against those resolutions and to give you notice of the Annual General Meeting.

The resolutions to be proposed at the Annual General Meeting include (i) the proposed granting of the General Mandate, the Repurchase Mandate and the Extension Mandate; (ii) the proposed re-election of Directors; and (iii) the proposed re-appointment of the auditor.

LETTER FROM THE BOARD

PROPOSED GRANTING OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to issue, allot and deal with further Shares representing up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution.

In addition, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase issued Shares. The maximum number of Shares that may be repurchased pursuant to the Repurchase Mandate will be such number which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution subject to the GEM Listing Rules.

The General Mandate and the Repurchase Mandate will lapse at the earliest of (i) the conclusion of the next annual general meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable law of the Cayman Islands to be held; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in the general meeting.

The explanatory statement required by the GEM Listing Rules to be sent to the Shareholders in connection with the proposed resolution to grant to the Directors the Repurchase Mandate is set out in Appendix I to this circular. It contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution.

Subject to the passing of the ordinary resolutions of the General Mandate and the Repurchase Mandate, an ordinary resolution will also be proposed to grant to the Directors the Extension Mandate to authorise the Directors to issue new Shares in an amount not exceeding the aggregate number of the Shares repurchased pursuant to the Repurchase Mandate.

Based on 800,000,000 Shares in issue as at the Latest Practicable Date and on the basis that no new Shares will be issued and no Shares will be repurchased by the Company for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting:

- (1) subject to the passing of the proposed resolution granting the General Mandate to the Directors, the Company will be allowed under the General Mandate to issue up to a maximum of 160,000,000 Shares, representing 20% of the Shares in issue as at the Latest Practicable Date; and

LETTER FROM THE BOARD

- (2) subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 80,000,000 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date.

The Directors wish to state that they have no immediate plans to repurchase any Shares or to allot and issue any new Shares, other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

PROPOSED RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consisted of five (5) Directors, namely:

Executive Directors

Mr. Leung Ka Ho, Raymond

Mr. Ho Chi Kwan

Independent non-executive Directors

Mr. Leung Hung Kwong, Derrick

Mr. Moy Yee Wo, Matthew

Mr. Yau Sze Yeung

Article 108(a) of the Articles of Association provides that at each Annual General Meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. Accordingly, Mr. Leung Ka Ho, Raymond, Mr. Ho Chi Kwan and Mr. Yau Sze Yeung will retire at the Annual General Meeting and all of them, being eligible, will offer themselves for re-election at the Annual General Meeting.

Biographical details of each of the retiring Directors are set out in Appendix II to this circular.

LETTER FROM THE BOARD

RECOMMENDATION OF THE NOMINATION COMMITTEE

The nomination committee of the Board (the “**Nomination Committee**”), having reviewed the composition of the Board, nominated Mr. Leung Ka Ho, Raymond, Mr. Ho Chi Kwan and Mr. Yau Sze Yeung to the Board for it to recommend to the Shareholders for re-election at the Annual General Meeting. The nominations were made in accordance with the nomination policy and the objective criteria (including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company, the details of which are set out in the annual report of the Company for the year ended 31 March 2023. The Nomination Committee had also taken into account of the respective contributions of Mr. Leung Ka Ho, Raymond, Mr. Ho Chi Kwan and Mr. Yau Sze Yeung to the Board and their commitment to their roles.

The biographical details of Mr. Leung Ka Ho, Raymond, Mr. Ho Chi Kwan and Mr. Yau Sze Yeung are set out in Appendix II of this circular. The Board accepted the Nomination Committee’s nominations and recommended Mr. Leung Ka Ho, Raymond and Mr. Ho Chi Kwan to stand for re-election as executive Directors and Mr. Yau Sze Yeung to stand for re-election as independent non-executive Director by the Shareholders at the Annual General Meeting. The Board considers that the re-election of Mr. Leung Ka Ho, Raymond, Mr. Ho Chi Kwan and Mr. Yau Sze Yeung as Directors is in the best interest of the Company and the Shareholders as a whole. Each of Mr. Leung Ka Ho, Raymond, Mr. Ho Chi Kwan and Mr. Yau Sze Yeung has abstained from the discussion and voting at the Board meeting regarding their respective nominations. Further information about the Board’s composition and diversity (including their gender, age, expertise, skills and qualifications) and Directors’ attendance record at Board meetings and Board committee meetings has been disclosed in the section headed “corporate governance report” in the annual report of the Company for the year ended 31 March 2023.

PROPOSED RE-APPOINTMENT OF THE AUDITOR

McMillan Woods (Hong Kong) CPA Limited will retire as the auditor of the Company at the Annual General Meeting and, being eligible, offer themselves for re-appointment. Details of the re-appointment of the auditor are set out in the ordinary resolution no. 4 of the notice of Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be convened and held at Units 901, 902 and 908, 9/F, Magnet Place Tower 1, 77–81 Container Port Road, Kwai Chung, New Territories, Hong Kong on Thursday, 10 August 2023 at 11:00 a.m. is set out on pages 18 to 23 of this circular.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 7 August 2023 to Thursday, 10 August 2023 (both days inclusive) during which period no transfer of Shares may be effected for the purpose of determining the Shareholders who are entitled to attend and vote at the Annual General Meeting. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificate(s) should be lodged for registration with the Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 4 August 2023.

PROXY ARRANGEMENT

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed with this circular for despatch to the Shareholders. Whether or not you intend to attend and/or vote at the Annual General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the Annual General Meeting shall be voted by poll.

An announcement on the poll results will be made by the Company after the Annual General Meeting.

RECOMMENDATIONS

The Directors consider that the proposals regarding the grant of the General Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of retiring Directors and the re-appointment of the auditor are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolutions at the Annual General Meeting.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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.

ADDITIONAL INFORMATION

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

MISCELLANEOUS

The translation into Chinese language of this circular is for reference only. In case of any inconsistency, the English version shall prevail.

Yours faithfully
By order of the Board
Chi Ho Development Holdings Limited
潛濤發展控股有限公司
Leung Ka Ho, Raymond
Chairman and Executive Director

This appendix serves as an explanatory statement, as required under Rule 13.08 of the GEM Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

1. GEM LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 800,000,000 Shares in issue. As at the Latest Practicable Date, the Company did not have any outstanding options, warrants and convertible securities to subscribe for the Shares.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no new Shares are issued and no Shares are repurchased for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 80,000,000 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

3. REASONS FOR THE REPURCHASE

The Directors have no present intention to repurchase any Shares but believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to provide the Company with the flexibility to make such repurchase when appropriate and beneficial to the Company. 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 earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

In making repurchases, the Company may only apply funds legally available for such purposes in accordance with the Articles, the applicable laws of the Cayman Islands and the GEM Listing Rules. The laws of the Cayman Islands provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the Company's share premium before the Shares are repurchased. In accordance with the laws of the Cayman Islands, the Shares so repurchased would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

5. MATERIAL ADVERSE IMPACT IN THE EVENT OF REPURCHASE IN FULL

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period, it might have a material adverse impact on the working capital and/or gearing position of the Company as compared with that as at 31 March 2023, being the date on which its latest published audited consolidated financial statements were made up. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

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

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
June	0.179	0.1
July	0.166	0.123
August	0.157	0.11
September	0.12	0.02
October	0.085	0.03
November	0.053	0.025
December	0.05	0.041
2023		
January	0.054	0.041
February	0.054	0.043
March	0.051	0.039
April	0.048	0.042
May	0.051	0.045
June (up to the Latest Practicable Date)	0.055	0.045

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the laws of the Cayman Islands and the Articles of Association.

8. CORE CONNECTED PERSON

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders at the Annual General Meeting.

No connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the grant of the Repurchase Mandate is approved by the Shareholders at the Annual General Meeting.

9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

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

As at the Latest Practicable Date, according to the register of interests kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 5% or more of the issued Shares:

Name	Capacity/Nature of interest	Number of Shares held (L) (Note 5)	Approximate percentage of existing shareholding (Note 1)	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Diamondfield (Notes 2, 3)	Beneficial owner; interest held jointly with another person	559,380,000 (Note 2)	69.9%	77.7%
Mr. Ho (Notes 2, 3)	Interest in a controlled corporation; beneficial owner; interest held jointly with another person	559,380,000 (Note 2)	69.9%	77.7%
Sharp Talent (Notes 2, 4)	Beneficial owner; interest held jointly with another person	559,380,000 (Note 3)	69.9%	77.7%

APPENDIX I	EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE
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Name	Capacity/Nature of interest	Number of Shares held (L) (Note 5)	Approximate percentage of existing shareholding (Note 1)	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Mr. Leung (Notes 2, 4)	Interest in a controlled corporation; interest held jointly with another person	559,380,000 (Note 3)	69.9%	77.7%

Notes:

- (1) The percentage of shareholding was calculated based on the total issued Shares of 800,000,000 Shares as at the Latest Practicable Date.
- (2) On 11 November 2016, our ultimate Controlling Shareholders, namely Mr. Leung and Mr. Ho, entered into the Concert Parties Confirmatory Deed to acknowledge and confirm, amongst other things, that they are parties acting in concert in respect of each of the members of our Company. As such, pursuant to the parties acting in concert arrangement, each of our Controlling Shareholders, i.e. Diamondfield (being wholly owned by Mr. Ho), Mr. Ho, Sharp Talent (being wholly owned by Mr. Leung) and Mr. Leung, is deemed to be interested in approximately 69.9% of the issued share capital of the Company.
- (3) Shares in which Mr. Ho is interested consist of (i) 199,590,000 Shares held by Diamondfield, a company wholly owned by Mr. Ho, in which Mr. Ho is deemed to be interested under the SFO; (ii) 26,380,000 Shares held as beneficial owner; and (iii) 333,410,000 Shares in which Mr. Ho is deemed to be interested as a result of being a party acting-in-concert with Mr. Leung.
- (4) Shares in which Mr. Leung is interested consist of (i) 333,410,000 Shares held by Sharp Talent, a company wholly owned by Mr. Leung, in which Mr. Leung is deemed to be interested under the SFO; and (ii) 225,970,000 Shares in which Mr. Leung is deemed to be interested as a result of being a party acting-in-concert with Mr. Ho.
- (5) The letter “L” denotes the person’s long position in the Shares.

On the basis of 800,000,000 Shares in issue as at the Latest Practicable Date and assuming there is no further issue or repurchases of Shares during the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, if the Repurchase Mandate were exercised in full, the shareholding in the Company of Diamondfield, Mr. Ho, Sharp Talent, Mr. Leung together with their associates would be increased from approximately 69.9% to approximately 77.7% of the issued share capital of the Company. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors confirm that the Repurchase Mandate will not be exercised to the extent as may result in a public shareholding falling below the prescribed minimum percentage.

10. SHARE REPURCHASE MADE BY THE COMPANY

The Company did not repurchase any Shares during the 6 months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

Set out below are the biographical details of the retiring Directors, who being eligible, would offer themselves for re-election at the Annual General Meeting.

Mr. Leung Ka Ho, Raymond (梁家浩), aged 55, was appointed as the Director on 18 October 2016 and was redesignated as an executive Director and appointed as the chairman and chief executive officer of the Company on 15 December 2016. Mr. Leung is a director of each of Fulam Construction Engineering Company Limited (“**Fulam Construction**”) and Fulam Engineering Hong Kong Company Limited (“**Fulam Engineering**”), indirect wholly owned subsidiaries of the Company, and other subsidiaries of the Group. He is also the compliance officer of the Company. Mr. Leung is responsible for the overall business strategy, preparing annual budget proposals, and major business decisions of the Group.

Mr. Leung has over 34 years of experience in the construction industry and possesses extensive knowledge in planning and managing construction projects of various nature. He obtained his higher diploma in building from City Polytechnic of Hong Kong (currently known as the City University of Hong Kong) and a bachelor’s degree of science in building from the South Bank University in the United Kingdom. He also obtained his master’s degree of science in architecture from the University College London in the United Kingdom. He had served in Government body that he was appointed by the Building Authority as a member of Minor Works Contractors Registration Committee Panel.

Mr. Leung is a member of Australian Institute of Building, a member of the Chartered Institute of Building, a member of the Hong Kong Institute of Construction Managers (previously known as Hong Kong Institute of Builders), and a member of the Contractor’s Authorised Signatory Association Limited.

Since September 2020, Mr. Leung has been an independent non-executive director of Skymission Group Holdings Limited, a company listed on the Main Board (Stock Code: 1429).

Save as disclosed in this circular and as far as the Directors are aware, Mr. Leung does not have any relationship with other Director, senior management, substantial shareholder or controlling shareholder of the Company nor hold any position with the Company and other members of the Group. Save as disclosed above, he did not hold any directorship in other listed public companies in the last three years before the Latest Practicable Date.

As at the Latest Practicable Date, Sharp Talent owned 559,380,000 Shares. Mr. Leung owned the entire issued share capital of Sharp Talent. On 11 November 2016, Mr. Leung and Mr. Ho, entered into the Concert Parties Confirmatory Deed to acknowledge and confirm, amongst other things, that they are parties acting in concert in respect of each of the members of the Company. As such, Diamondfield (being wholly owned by Mr. Ho), Mr. Ho, Sharp Talent (being wholly owned by Mr. Leung) and Mr. Leung, is deemed to be interested in approximately 69.9% of the issued share capital of the Company. He is the sole director of Sharp Talent. Save as disclosed above, he has no interests in the Shares of the Company which are required to be disclosed pursuant to Part XV of the SFO.

He has entered into a service agreement with the Company for a term of three years commencing from the Listing Date subject to termination by not less than six months' notice in writing served by either party on the other in accordance with the terms of the service agreement. He is also subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles of Association. Pursuant to the service agreement, he is entitled to a basic annual salary (which is subject to review each year) and such other emoluments and/or discretionary bonus as may be determined by, and at the discretion of, the Board from time to time. The level of his emolument was and will be determined by the Board with reference to his experience, qualifications, duties and responsibilities involved in the Group, as well as the performance of the Company and the prevailing market conditions. For the year ended 31 March 2023, he received by way of remuneration and/or other emoluments the amount of approximately HK\$2,203,000 from the Group.

Save as disclosed above and so far as the Directors were aware as at the Latest Practicable Date, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 17.50(2)(h) to (v) of the GEM Listing Rules in relation to his re-election at the Annual General Meeting.

Mr. Ho Chi Kwan (何智崑), aged 50, was appointed as the Director on 18 October 2016 and was redesignated as an executive Director of the Company on 15 December 2016. Mr. Ho is responsible for the overall business strategy, preparing annual budget proposals, and major business decisions of the Group.

Mr. Ho has over 28 years of experience in the construction industry. He has then been a director of each of Fulam Construction and Fulam Engineering since the dates of their incorporation. He is also the directors of other subsidiaries of the Group. He is currently an associate member of Hong Kong Institute of Project Management and a member of Hong Kong Institute of Real Estate Administrators.

Mr. Ho completed a certificate course in building services, design, installation and maintenance organised by Hong Kong Productivity Council. He also completed a number of courses organised by the Construction Industry Training Authority.

Save as disclosed and as far as the Directors are aware, Mr. Ho does not have any relationship with other Director, senior management, substantial shareholder or controlling shareholder of the Company nor hold any position with the Company and other members of the Group. He did not hold any directorship in other listed public companies in the last three years before the Latest Practicable Date.

As at the Latest Practicable Date, Diamondfield owned 559,380,000 Shares. Mr. Ho owned the entire issued share capital of Diamondfield. On 11 November 2016, Mr. Leung and Mr. Ho, entered into the Concert Parties Confirmatory Deed to acknowledge and confirm, amongst other things, that they are parties acting in concert in respect of each of the members of the Company. As such, Diamondfield (being wholly owned by Mr. Ho), Mr. Ho, Sharp Talent (being wholly owned by Mr. Leung) and Mr. Leung, is deemed to be interested in

approximately 69.9% of the issued share capital of the Company. He is the sole director of Diamondfield. Save as disclosed above, he has no interests in the Shares of the Company which are required to be disclosed pursuant to Part XV of the SFO.

He has entered into a service agreement with the Company for a term of three years commencing from the Listing Date subject to termination by not less than six months' notice in writing served by either party on the other in accordance with the terms of the service agreement. He is also subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles of Association. Pursuant to the service agreement, he is entitled to a basic annual salary (which is subject to review each year) and such other emoluments and/or discretionary bonus as may be determined by, and at the discretion of, the Board from time to time. The level of his emolument was and will be determined by the Board with reference to his experience, qualifications, duties and responsibilities involved in the Group, as well as the performance of the Company and the prevailing market conditions. For the year ended 31 March 2023, he received by way of remuneration and/or other emoluments the amount of approximately HK\$2,203,000 from the Group.

Save as disclosed above and so far as the Directors were aware as at the Latest Practicable Date, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 17.50(2)(h) to (v) of the GEM Listing Rules in relation to his re-election at the Annual General Meeting.

Mr. Yau Sze Yeung (邱思揚), aged 45, was appointed as the independent non-executive Director on 22 February 2017. He is the chairman of the Audit Committee, and a member of each of the Remuneration Committee and Nomination Committee.

Mr. Yau has over 21 years of experience in various sections of the financial industry including audit and corporate finance. From July 2015 to October 2019, he was the financial controller of Janco Holdings Limited, a company listed on GEM (Stock Code: 8035). He was also the executive director and company secretary of Janco Holdings Limited from April 2016 to October 2019. Mr. Yau also serves as an independent non-executive Director of China Uptown Group Company Limited (Stock Code: 2330) since July 2022.

Mr. Yau obtained a bachelor's degree of business administration in accountancy from City University of Hong Kong. He is currently a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Yau has entered into a letter of appointment with the Company pursuant to which he has agreed to act as an independent non-executive Director for a fixed term of three years, and renewable automatically for successive term of three years, subject to early termination by either party in accordance with the terms thereof. Mr. Yau is entitled to an annual director's fee of HK\$144,000. Mr. Yau is subject to retirement by rotation and re-election at the Annual General Meeting in accordance with the Articles.

Save as disclosed and as far as the Directors are aware, Mr. Yau does not have any relationship with other Director, senior management, substantial shareholder or controlling shareholder of the Company nor hold any position with the Company and other members of the Group. Save as disclosed above, he did not hold any directorship in other listed public companies in the last three years before the Latest Practicable Date. As far as the Directors are aware, as at the Latest Practicable Date, he had no interests in the Shares of the Company which are required to be disclosed pursuant to Part XV of the SFO.

Save as disclosed above and so far as the Directors were aware as at the Latest Practicable Date, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 17.50(2)(h) to (v) of the GEM Listing Rules in relation to his re-election at the Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

CHI HO DEVELOPMENT HOLDINGS LIMITED

潛濶發展控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8423)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Annual General Meeting**” or “**AGM**”) of Chi Ho Development Holdings Limited (潛濶發展控股有限公司) (the “**Company**”) will be held at Units 901, 902 and 908, 9/F, Magnet Place Tower 1, 77–81 Container Port Road, Kwai Chung, New Territories, Hong Kong on Thursday, 10 August 2023 at 11:00 a.m. to consider, if thought fit, transact the following resolutions:

As Ordinary Resolutions

1. To receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Directors**”) and the auditors (the “**Auditors**”) of the Company for the year ended 31 March 2023.
2. A. To re-elect Mr. Leung Ka Ho, Raymond as an executive director of the Company.
B. To re-elect Mr. Ho Chi Kwan as an executive director of the Company.
C. To re-elect Mr. Yau Sze Yeung as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company (the “**Board**”) to fix the Directors’ remuneration.
4. To consider the re-appointment of McMillan Woods (Hong Kong) CPA Limited as the Auditors and to authorise the Board to fix the remuneration of the Auditors.

NOTICE OF ANNUAL GENERAL MEETING

As Special Business

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and all other applicable laws, the exercise by the directors (the “**Directors**”) of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares (the “**Shares**”) in the share capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate nominal amount of share capital of the Company allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined in paragraph (d) below);
 - (ii) the exercise of options granted under the share option scheme or similar arrangement for the time being adopted by the Company from time to time;
 - (iii) any scrip dividend or similar arrangements providing for allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association (the “**Articles of Association**”) of the Company and other relevant regulations in force from time to time;or

NOTICE OF ANNUAL GENERAL MEETING

- (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purpose of this resolution, the “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors 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 expenses or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors (the **“Directors”**) of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to repurchase the shares of the Company (the **“Shares”**) on GEM of The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the **“SFC”**) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law of the Cayman Islands (as amended, supplemented or modified from time to time) and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, **“Relevant Period”** means the period from the date of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any other applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“**THAT** conditional upon resolutions numbered 5 and 6 above being passed, the unconditional general mandate granted to the directors (the “**Directors**”) of the Company to allot, issue and deal with the unissued shares of the Company pursuant to resolution numbered 5 above be and it is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Director pursuant to or in accordance with such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 6 above, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this resolution.”

Yours faithfully

By order of the Board

Chi Ho Development Holdings Limited

潛濞發展控股有限公司

Leung Ka Ho, Raymond

Chairman and Executive Director

Hong Kong, 30 June 2023

Registered office:

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman, KY1-1108
Cayman Islands

*Head office and principal place of business
in Hong Kong:*

Units 901, 902 and 908, 9/F
Magnet Place Tower 1
77–81 Container Port Road
Kwai Chung, New Territories
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares of the Company may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.
2. To be valid, the form of proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy thereof must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or at any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Meeting or at any adjournment thereof if you so wish. In such event, the form of proxy shall be deemed to be revoked.

NOTICE OF ANNUAL GENERAL MEETING

3. For determining the qualification as members of the Company to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Monday, 7 August 2023 to Thursday, 10 August 2023, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 4 August 2023.
4. An explanatory statement containing further details regarding resolution no. 6 above is set out in Appendix I to the circular of the Company dated 30 June 2023.
5. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
6. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the Annual General Meeting, the Annual General Meeting will be postponed. The Company will post an announcement on the website of the Company at www.chdev.com.hk and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify members of the Company of the date, time and place of the re-scheduled Annual General Meeting.

As at the date of this notice, the executive Directors are Mr. Leung Ka Ho, Raymond (Chairman), Mr. Ho Chi Kwan and the independent non-executive Directors are Mr. Leung Hung Kwong, Derrick, Mr. Moy Yee Wo, Matthew and Mr. Yau Sze Yeung.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 notice 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 notice misleading.

This notice will remain on the Stock Exchange's website at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the Company's website at www.chdev.com.hk.