

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 your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Baofeng (International) Limited (the "Company"), you should at once hand this circular together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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China Baofeng (International) Limited

中國寶豐(國際)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3966)

**PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES,
RETIREMENT OF DIRECTORS AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at 9/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong on Friday, 24 May 2019 at 11 a.m. is set out on pages 15 to 20 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.baofengintl.com). Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-4, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than Wednesday, 22 May 2019 at 11 a.m. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof should you so desire. References to time and dates in this circular are referring to Hong Kong time and dates.

23 April 2019

DEFINITIONS

In this circular, unless the context otherwise requires, the following terms and expressions have the following meaning:

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at 9/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong on Friday, 24 May 2019 at 11 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 15 to 20 of this circular, or any adjournment thereof;
“AGM Notice”	the notice convening the AGM set out on pages 15 to 20 of this circular;
“Articles of Association”	the articles of association of the Company (as amended from time to time);
“Board”	the board of Directors;
“close associate(s)”	has the meaning as defined under the Listing Rules;
“Company”	China Baofeng (International) Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed and traded on the main board of the Stock Exchange;
“core connected person”	has the same meaning as defined in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China;
“Latest Practicable Date”	10 April 2019, being the latest practicable date for ascertaining certain information for inclusion in this circular;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;

DEFINITIONS

“PRC”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue and deal with additional Shares up to 20% of the issued Shares as at the date of passing of such resolution at the AGM;
“Share Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares up to 10% of the issued Shares as at the date of passing of such resolution at the AGM;
“Share(s)”	Ordinary share(s) of HK\$0.01 each in the issued share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs as approved by the SFC, as amended from time to time;
“%”	per cent.



China Baofeng (International) Limited
中國寶豐(國際)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3966)

Executive Directors:

Mr. Dang Yanbao (*Chairman*)
Mr. Dang Zidong (*Chief executive officer*)
Mr. Liu Yuanguan
Mr. Gao Jianjun

Non-executive Directors:

Mr. Cheng Hoo
Mr. Chung Kin Shun, Jimmy

Independent Non-executive Directors:

Mr. Xia Zuoquan
Dr. Tyen Kan Hee, Anthony
Mr. Guo Xuewen

Company Secretary:

Ms. Jiao Yingchen

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of

business in Hong Kong:
Suites 1301–1304, 13/F
Two Pacific Place
88 Queensway
Admiralty
Hong Kong

23 April 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES,
RETIREMENT OF DIRECTORS AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the annual general meeting of the Company held on 25 May 2018, resolutions were passed to grant the authorisation to the Directors to allot, issue and deal with additional Shares and to exercise the powers of the Company to repurchase its own Shares in accordance with the relevant rules set out in the Listing Rules and the Takeovers Code.

LETTER FROM THE BOARD

These general mandates will lapse at the conclusion of the forthcoming AGM. Ordinary resolutions will therefore be proposed at the AGM to consider, and if thought fit, to grant the general mandates to the Directors to repurchase Shares and to allot, issue and deal with additional Shares. The Company will also propose at the AGM resolutions for the extension of the Share Issue Mandate.

The Directors also will seek the approval of the Shareholders at the AGM for the re-election of the Directors.

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM, the relevant information under the Listing Rules and to give you notice of the AGM.

2. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to approve the granting of the Share Issue Mandate to the Directors to allot, issue or deal with additional Shares up to 20% of the number of the issued Shares as at the date of passing of such resolution, the details of which are contained in resolution no. 5 of the AGM Notice.

As at the Latest Practicable Date, the number of Shares in issue was 663,846,000.

Subject to the passing of the proposed ordinary resolution for the granting of the Share Issue Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the passing of such resolution, the Company will be allowed to issue a maximum of 132,769,200 Shares. If the Company conducts a share consolidation or subdivision after the Share Issue Mandate is granted, the maximum number of Shares that may be issued under the Share Issue Mandate as a percentage of the total number of issued Shares as the date immediately before and after such consolidation or subdivision shall be the same.

The Share Issue Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by laws of the Cayman Islands or the Articles of Association to be held; and (c) the date on which the authority given under the ordinary resolution approving the Share Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Share Issue Mandate.

LETTER FROM THE BOARD

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed to grant to Directors the Share Repurchase Mandate, allowing the Company to repurchase its own Shares on the Stock Exchange, or on another stock exchange recognized by the SFC, up to 10% of the number of the issued Shares as at the date of passing of such resolution, details of which are contained in resolution no. 6 of the AGM Notice (i.e. a total of 66,384,600 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM). If the Company conducts a share consolidation or subdivision after the Share Repurchase Mandate is granted, the maximum number of Shares that may be repurchased under the Share Repurchase Mandate as a percentage of the total number of issued Shares as the date immediately before and after such consolidation or subdivision shall be the same.

The Share Repurchase Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by laws of the Cayman Islands or the Articles of Association to be held; and (c) the date on which the authority given under the ordinary resolution approving the Share Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the grant of the Share Repurchase Mandate is set out in Appendix I to this circular.

4. EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

Subject to the passing of the ordinary resolutions to grant the Share Issue Mandate and the Share Repurchase Mandate, a separate ordinary resolution will be proposed at the AGM to extend the Share Issue Mandate by adding the number of Shares repurchased pursuant to the Share Repurchase Mandate since the grant of the Share Repurchase Mandate provided that such extended amount shall not exceed 10% of the number of the issued Shares as at the date of passing the resolution granting the Share Repurchase Mandate.

LETTER FROM THE BOARD

5. RETIREMENT OF DIRECTORS AND RE-ELECTION OF RETIRING DIRECTORS

According to Article 84 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. Every Director shall be subject to retirement at least once every three years, and be eligible for re-election. Further, according to Article 83(3) of the Articles of Association, any Director appointed by the Board either to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board) and shall then be eligible for re-election. Any Director appointed by the Board pursuant to Article 83(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

By virtue of Article 84 of the Articles of Association, Mr. Dang Yanbao, Mr. Dang Zidong and Mr. Chung Kin Shun, Jimmy shall retire at the AGM. All of the above retiring Directors, being eligible, will offer themselves for re-election at the AGM.

The nomination committee of the Company has also recommended the Board that the above-mentioned Directors are eligible for re-election. Particulars of the Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

6. RE-APPOINTMENT OF AUDITORS

Messrs. Deloitte Touche Tohmatsu will retire as the auditors of the Company at the AGM and, being eligible, offer themselves for re-appointment.

The Board proposed to re-appoint Messrs. Deloitte Touche Tohmatsu as the auditors of the Company and to hold office until the next annual general meeting of the Company.

7. AGM AND PROXY ARRANGEMENT

A notice convening the AGM is set out on pages 15 to 20 of this circular.

A form of proxy for the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-4, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM (i.e. not later than Wednesday, 22 May 2019 at 11 a.m.). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM, or any adjournment thereof, should you so wish.

LETTER FROM THE BOARD

8. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll except where the Chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the Chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to Article 66 of the Articles of Association. An announcement of the results of the poll will be published by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

9. 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.

10. RECOMMENDATION

The Directors consider that the resolutions to be proposed in the AGM, among others, in respect of (i) the granting of the Share Issue Mandate and the Share Repurchase Mandate as well as the extension of the Share Issue Mandate; (ii) the re-election of the retiring Directors; and (iii) the re-appointment of auditors are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the relevant resolutions as set out in the AGM Notice at the AGM.

Yours faithfully,
For and on behalf of the Board
China Baofeng (International) Limited
Dang Yanbao
Chairman and Executive Director

This appendix includes an explanatory statement required by the Stock Exchange to be sent to the Shareholders under the Listing Rules in connection with the proposed Share Repurchase Mandate.

1. LISTING RULES FOR REPURCHASE OF SHARES

A company with a primary listing on the Stock Exchange may repurchase its shares on the Stock Exchange or on another stock exchange recognized by the SFC subject to certain restrictions as set out in the Listing Rules.

The Listing Rules provide that all proposed share repurchase by a company with a primary listing on the Stock Exchange (i) must be approved by shareholders in advance by an ordinary resolution at a general meeting, either by way of a general mandate to its directors or by a specific approval; (ii) an explanatory statement complying with Rule 10.06(1)(b) must be sent to its shareholders in advance; and (iii) that the shares proposed to be repurchased must be fully paid up.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 663,846,000 Shares.

Subject to the passing of the proposed ordinary resolutions granting the Share Repurchase Mandate and on the basis that no Shares are issued or repurchased after the Latest Practicable Date and up to the date of the passing of such resolution, the Company will be allowed to repurchase a maximum of 66,384,600 Shares.

3. FUNDING AND IMPACT OF SHARE REPURCHASE

Any share repurchase will be made out of funds which are legally available for the purpose in accordance with the memorandum and Articles of Association of the Company, the Listing Rules and the applicable laws of the Cayman Islands. As compared with the financial position of the Company as at 31 December 2018 (being the date to which the latest audited accounts of the Company have been made up), there may be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed Share Repurchase Mandate were to be carried out in full during the proposed repurchase period.

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

4. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earning per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Share Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the memorandum and Articles of Association of the Company.

6. EFFECT OF THE TAKEOVERS CODE

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

As at the Latest Practicable Date and insofar the Directors are aware of, the controlling Shareholder was Fung Teng Enterprises Limited ("**Fung Teng**") which owned 456,150,000 Shares (representing approximately 68.71% of the issued share capital of the Company). For the purpose of the SFO, Mr. Dang Yanbao (the sole shareholder and a director of Fung Teng) is deemed or taken to be interested in all the Shares owned by Fung Teng. In the event that the Share Repurchase Mandate was exercised in full, the interest of Fung Teng in the Company will be increased from approximately 68.71% to approximately 76.35%. On the basis of the aforesaid increase of shareholder's interest, the Directors are not aware of any consequences of such repurchase of Shares that would result in a Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Share Repurchase Mandate was exercised in full. Moreover, the Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors have no present intention to exercise the Share Repurchase Mandate to such an extent that will result in the number of Shares being held by the public to fall below the prescribed minimum percentage of 25% as required by Rule 8.08 of the Listing Rules.

7. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective close associates has any present intention, in the event that the proposed Share Repurchase Mandate is granted, to sell Shares to the Company. No core connected person of the Company has notified the Company that he has a present intention to sell Shares to the Company and no such person have undertaken not to sell any of the Shares held by him to the Company in the event that the Company is authorised to repurchase Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) during the six months ended on the Latest Practicable Date.

9. SHARE PRICES

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

Month	Trading price per Share	
	Highest HK\$	Lowest HK\$
2018	3.60	3.11
April	3.36	3.00
May	3.31	3.20
June	3.25	2.90
July	3.00	2.31
August	3.00	2.30
September	2.68	2.10
October	2.34	2.17
November	2.34	2.17
December	2.22	2.05
2019		
January	2.20	1.95
February	2.31	2.02
March	2.78	2.22
April (up to the Latest Practicable Date)	2.80	2.80

Set out below are details of each of the retiring Directors proposed to be re-elected at the AGM:

Mr. Dang Yanbao

Mr. Dang Yanbao (黨彥寶), aged 46, is currently the Chairman of the Company and the chairman of the nomination committee of the Company (the “**Nomination Committee**”).

He is an experienced Chinese businessman and currently the chairman of the board of directors of Ningxia Baofeng Energy Group Co., Ltd.* (寧夏寶豐能源集團股份有限公司). The subsidiaries of Ningxia Baofeng Energy Group Co., Ltd.* (寧夏寶豐能源集團股份有限公司) include a number of companies engaged in the coal and energy sector, such as Ningxia East Step Environmental Protection Technology Co., Ltd. (寧夏東毅環保科技有限公司), Ningxia Baofeng Energy Business Services Ltd.* (寧夏寶豐能源商務服務有限公司), Ningxia Baofeng Group Tar Hydrogenation Limited (寧夏寶豐集團焦油加氫有限公司), Ning Xia Fengda Fine Chemical Co., Ltd. (寧夏峰達精細化工有限公司) and Ningxia Baofeng Group Hongsi Coal Mining Co., Ltd.* (寧夏寶豐集團紅四煤業有限公司). He graduated at Ningxia University in July 1996 and was awarded an Executive Master’s degree in Business Administration from Peking University in July 2007. Mr. Dang held several public offices in China, including committee member of the 12th Chinese People’s Political Consultative Conference, a representative at the 11th People’s Congress of Ningxia Hui Autonomous Region, and counselor for the People’s Government of Ningxia Hui Autonomous Region. Mr. Dang was appointed as executive Director of the Company with effect from 30 January 2016 and as the Chairman of the Board with effect from 19 February 2016.

Mr. Dang is the sole shareholder of Fung Teng Enterprises Limited which is interested in 456,150,000 Shares (representing approximately 68.71% of the total issued share capital of the Company). He is also a director of Fung Teng.

Mr. Dang is the uncle of Mr. Dang Zidong, an executive Director and the chief executive officer of the Company.

* For identification purpose only

Mr. Dang has entered into a service agreement with the Company for a term of three years. Based on the service agreement, Mr. Dang is entitled to a director's fee of US\$20,000 monthly, together with a discretionary bonus which is to be determined by the Board with reference to the Company's performance and his individual overall performance as a Director. The emolument of Mr. Dang was determined with reference to, among other things, his experience, his role and responsibilities with the Company and the prevailing market conditions. In accordance with the Articles of Association of the Company, Mr. Dang is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Dang (i) did not currently hold any other position with the Company and other members of the Group; (ii) did not have any relationship with any other Directors, senior management, or substantial or controlling Shareholders of the Company; (iii) had not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iv) did not have other major appointments and professional qualifications; and (v) did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters relating to the re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

Mr. Dang Zidong

Mr. Dang Zidong (黨自東), aged 29, is currently the chief executive officer of the Company. He is also a director of subsidiaries of the Group namely Jing Pai Management LTD.* (京柏管理有限公司), Stand Nice Limited and Honest Joy International Limited. He graduated from Beijing Geely University (北京吉利大學) in 2012 with a degree in industry and business administration. He was the general manager of Ningxia Huixin Microfinance Co., Ltd.* (寧夏匯信小額貸款有限公司) before joining the Group. Mr. Dang Zidong was previously responsible for sales in Ningxia Baofeng Energy Group Co., Ltd.* (寧夏寶豐能源集團股份有限公司) and had held the position of manager of marketing and planning department in Huifengxiang Commercial Holdings Co., Ltd.* (滙豐祥商業控股有限公司). He was appointed as executive Director and the chief executive officer of the Company with effect from 19 February 2016.

Mr. Dang Zidong is the nephew of Mr. Dang Yanbao, the Chairman and executive Director of the Company. Mr. Dang Yanbao is the sole shareholder and a director of Fung Teng, the controlling Shareholder, which is interested in 456,150,000 Shares (representing approximately 68.71% of the total issued share capital of the Company).

Mr. Dang has entered into a service agreement with the Company for a term of one year. Based on the service agreement, Mr. Dang is entitled to a director's fee of HK\$20,000 monthly, together with a discretionary bonus which is to be determined by the Board with reference to the Company's performance and his individual overall performance as a Director. The emolument of Mr. Dang was determined with reference to, among other things, his experience, his role and responsibilities with the Company and the prevailing market conditions. In accordance with the Articles of Association of the Company, Mr. Dang is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Dang (i) did not currently hold any other position with the Company and other members of the Group; (ii) did not have any relationship with any other Directors, senior management, or substantial or controlling Shareholders of the Company; (iii) had not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iv) did not have other major appointments and professional qualifications; and (v) did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters relating to the re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

* For identification purpose only

Mr. Chung Kin Shun, Jimmy

Mr. Chung Kin Shun, Jimmy (鍾建舜), aged 49, is an investment banker with over 20 years of corporate finance experience in Hong Kong and is responsible for handling corporate finance transactions, including initial public offering and mergers and acquisitions activities. He graduated from the University of London with a Bachelor of Science degree in August 1992. He was appointed as non-executive Director of the Company with effect from 26 September 2016.

Mr. Chung has entered into an appointment letter with the Company for a term of three years. Based on the appointment letter, Mr. Chung is entitled to a director's fee of HK\$30,000 monthly. The emolument of Mr. Chung was determined with reference to, among other things, his experience, his role and responsibilities with the Company and the prevailing market conditions. In accordance with the Articles of Association of the Company, Mr. Chung is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Chung (i) did not currently hold any other position with the Company and other members of the Group; (ii) did not have any relationship with any other Directors, senior management, or substantial or controlling Shareholders of the Company; (iii) had not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iv) did not have other major appointments and professional qualifications; and (v) did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters relating to the re-election that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.



China Baofeng (International) Limited

中國寶豐(國際)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3966)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of China Baofeng (International) Limited (the “**Company**”) will be held at 9/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong on Friday, 24 May 2019 at 11 a.m. for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

As ordinary business

1. To receive and adopt the audited consolidated financial statements and the reports of directors (the “**Directors**”, each a “**Director**”) and auditors of the Company and its subsidiaries for the year ended 31 December 2018;
2. To re-elect the following Directors of the Company:
 - (A) Mr. Dang Yanbao as an executive Director;
 - (B) Mr. Dang Zidong as an executive Director; and
 - (C) Mr. Chung Kin Shun, Jimmy as a non-executive Director.
3. To authorise the board (the “**Board**”) of Directors of the Company to fix the remuneration each of the Directors.
4. To re-appoint Messrs. Deloitte Touche Tohmatsu, Certified Public Accountants as auditors of the Company and to authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business

To consider and, if thought fit, pass with or without amendments, the following resolutions shown as items 5, 6 and 7 as ordinary resolutions:

5. “**THAT:**

- (a) subject to paragraphs (c), (d) and (e) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional (i) shares in the capital of the Company (“**Shares**”); (ii) securities convertible into Shares; or (iii) options, warrants or similar rights to subscribe for any Shares or such convertible securities, and to make or grant offers, agreements, options which would or might require such securities to be issued, allotted or disposed of, in exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers to allot, issue or dispose of such securities as referred to in paragraph (a) of this resolution after the expiry of the Relevant Period and to make such allotment, issue and disposal under such offers, agreements and options;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (a) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to subscribe for Shares; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend in accordance with the articles of association of the Company (the “**Articles of Association**”) from time to time, and (iv) the exercise of rights of subscription or conversion under the terms of any options, warrants or similar rights granted by the Company or any securities which are convertible into Shares shall not exceed 20% of the total number of issued Shares as at the date of passing this resolution, and if any subsequent consolidation or subdivision of Shares is conducted, the maximum number of Shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same;

NOTICE OF ANNUAL GENERAL MEETING

- (d) the Company may not issue securities convertible into new Shares for cash consideration unless the initial conversion price is not lower than the benchmarked price (as hereinafter defined) of the Shares at the time of the placing, and the Company may not issue warrants, options or similar rights to subscribe for (i) any new Shares or (ii) any securities convertible into new Shares, for cash consideration;
- (e) if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be issued pursuant to the approval in paragraph (a) of this resolution as may be extended by resolution 7 set out in the notice convening the Meeting is so passed, as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same, and such maximum number of Shares, and powers granted under such approval, shall be adjusted to such extent accordingly;

- (f) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its Articles of Association or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“**benchmarked price**” means the higher of (a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and (b) the average closing price in the 5 trading days immediately prior to the earlier of: (i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate to be approved under this resolution; (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and (iii) the date on which the placing or subscription price is fixed;

NOTICE OF ANNUAL GENERAL MEETING

“**Rights Issue**” means an offer of Shares or an issue of options, warrants or other securities giving the right to subscribe for Shares open for a period fixed by the Directors to holders of Shares of any class on the register of members on a fixed record date in proportion to their then holdings of such Shares or class thereof (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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

6. “**THAT:**

- (a) subject to paragraph (c) of this resolution below, the Directors be and are hereby authorised and granted unconditional general mandate, during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and that the exercise by the Directors of all powers of the Company to repurchase such Shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby, generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (c) the aggregate number of Shares which may be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution above during the Relevant Period shall not exceed 10% of the total number of issued Shares in issue as at the date of passing this resolution, and if any subsequent consolidation or subdivision of Shares is conducted, the maximum number of Shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its Articles of Association or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

7. “**THAT** conditional upon the passing of resolutions 5 and 6 as set out in this notice convening the Meeting (the “**Notice**”) of which this resolution forms part, the aggregate number of Shares that may be allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors of the Company pursuant to resolution 5 as set out in this Notice be and is hereby extended by the addition thereto of an amount representing the aggregate number of Shares repurchased by the Company under the authority granted pursuant to resolution 6 as set out in this Notice, provided that such amount shall not exceed 10% of the total number of issued Shares as at the date of passing this resolution.”

By Order of the Board
China Baofeng (International) Limited
Dang Yanbao
Chairman and Executive Director

Hong Kong, 23 April 2019

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. To be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the office of the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-4, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours before the time appointed for holding the Meeting (i.e. not later than Wednesday, 22 May 2019 at 11 a.m.) or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

4. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
5. Where there are joint holders of any shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
7. Details of each of the retiring Directors proposed to be re-elected as a Director at the Meeting are set out in Appendix II to this circular.
8. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against the ordinary resolution no. 6 as set out in this notice is enclosed in this circular.
9. The transfer books and register of members of the Company will be closed from Tuesday, 21 May 2019 to Friday, 24 May 2019, both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the office of the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-4, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Monday, 20 May 2019.
10. All the resolutions set out in this notice will be decided by poll.
11. A form of proxy for use at the Meeting is enclosed.
12. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the Meeting, the Meeting will be postponed. The Company will post an announcement on the website of Company at www.baofengintl.com and on the HKEx news website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and place of the rescheduled Meeting.
13. References to time and dates in this notice are to Hong Kong time and dates.