
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in New City Development Group Limited, you should at once hand this circular and the enclosed form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**NEW CITY DEVELOPMENT GROUP LIMITED****新城市建設發展集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0456)

**PROPOSED SHARE CONSOLIDATION,
PROPOSED CHANGE IN BOARD LOT SIZE
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting of New City Development Group Limited to be held in a combination of an in-room meeting at Flat D, 17/F., MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong, and a ZOOM live webcast on Wednesday, 6 April 2022 at 11:00 a.m. is set out on pages 14 and 15 of this circular. A form of proxy for use at the extraordinary general meeting is enclosed with this circular and such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. Whether or not you are able to attend the EGM via a ZOOM live webcast, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 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 such meeting or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the meeting or any adjourned meeting thereof (as the case may be).

PRECAUTIONARY MEASURES FOR EXTRAORDINARY GENERAL MEETING

Due to the constantly evolving COVID-19 pandemic situation, the Company may need to take certain precautionary measures at the venue of the extraordinary general meeting to ensure the safety of attendees, including (but not limited to) requiring all attendees to have body temperature check and wear face masks. In addition, no refreshments will be served and no corporate gift will be distributed at the extraordinary general meeting. The Company reserves the right to deny admission to the extraordinary general meeting venue if any person does not comply with the precautionary measures to be taken at the extraordinary general meeting or such person is subject to any HKSAR Government prescribed quarantine.

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DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted, “extreme conditions” caused by super typhoons or on which a “black” rainstorm warning is issued between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Existing Shares of par value of HK\$0.004 each to 2,000 Consolidated Shares of par value of HK\$0.20 each
“Company”	New City Development Group Limited, a company incorporated in the Cayman Islands with limited liability and Shares of which are listed on the Stock Exchange
“Consolidated Share(s)”	ordinary share(s) of HK\$0.2 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company convened to be held for the purpose of considering and, if thought fit, approving the proposed Share Consolidation
“Existing Share(s)”	ordinary share(s) of HK\$0.004 each in the existing share capital of the Company before the Share Consolidation becoming effective

DEFINITIONS

“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	Monday, 28 February 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Share(s)”	the Existing Share(s) or as the context may require, the Consolidated Share(s)
“Share Consolidation”	the proposed consolidation of every fifty (50) issued and unissued Existing Shares in the share capital of the Company into one (1) Consolidated Share in the share capital of the Company
“Shareholder(s)”	Registered holder(s) of the issued Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

SPECIAL ARRANGEMENTS FOR THE EGM

In compliance of Chapter 599G Prevention and Control of Disease (Prohibition on Gathering) Regulation, the following special arrangements for the EGM will apply:

- Any member who are not Director or staff of the Company who does attempt to attend the EGM in person will be refused admission.
- If a Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the chairman of the EGM as his/her/its proxy to attend and vote on his/her/its behalf at the EGM.
- In appointing the chairman of the EGM as proxy, Shareholders (whether individual or corporate) must give specific instructions as to voting in the Proxy Form, the duly completed and signed Proxy Form must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the office of the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 11:00 a.m. on Monday, 4 April 2022 (being not less than forty-eight (48) hours before the EGM), failing which the appointment will be treated as invalid.
- The EGM will be held by way of electronic means where all participants of the EGM can participate through a ZOOM live webcast. A Shareholder who wishes to access the ZOOM live webcast must send the duly completed and signed proxy form together with his/her phone number to this email address: 456EGM@unionregistrars.com.hk not later than 48 hours before the appointed time and date of the EGM. Shareholders may be required to produce identification documents to show identity and enable the Company to check against its shareholders' records.
- Shareholders having completed registration and identity verification will receive an instruction email on how to join the ZOOM live webcast together with the web link and/or password to access the ZOOM live webcast by Monday, 4 April 2022. Shareholders who are given the web link and/or password of the Webcast should not share such information to anyone else. Shareholders may view and listen to the EGM through a ZOOM live webcast which can be accessed via smartphone, tablet device or computer.
- Shareholders who register for the ZOOM live webcast may submit questions related to the resolution to be proposed at the EGM. To do so, all questions must be submitted by 4:00 p.m. on Monday, 4 April 2022 by email to 456EGM@unionregistrars.com.hk. Subject to the discretion of the Chairman as to the proper conduct of the meeting, questions related to the resolution of the EGM will be addressed by the Board during the EGM.
- The Company is closely monitoring the impact of COVID-19 in Hong Kong. Should any changes be made to the EGM arrangements, the Company will publish further announcement(s) to notify the Shareholders.

SPECIAL ARRANGEMENTS FOR THE EGM

- If you have any queries on the above, please contact Union Registrars Limited via their hotline at (852) 2849 3399 from 9:00 a.m. to 4:00 p.m. (Monday to Friday, excluding Hong Kong public holidays).
- All non-registered shareholders may consult directly with their banks, brokers, custodians, nominees or HKSCC Nominees Limited through which their shares are held (as the case may be) for necessary arrangement to attend and vote via the ZOOM live webcast at the Meeting or any adjourned meeting thereof if they wish.
- No remote voting system is provided at the ZOOM live webcast. For the avoidance of doubt, presence at the ZOOM live webcast is not counted as quorum or attendance of the meeting, and will not revoke any proxy instrument previously delivered to the Company by the same Shareholder.

The Board considers that the EGM is an important opportunity for Shareholders to participate and express their views by raising questions and voting. As such, the Board wishes to emphasize that the Shareholders can raise questions during the EGM through the ZOOM live webcast. The questions raised by Shareholders at the EGM and those submitted beforehand will be addressed to at the EGM as far as possible.

EXPECTED TIMETABLE

The expected timetable for the proposed Share Consolidation and the Change in Board Lot Size is set out below. The expected timetable is subject to the results of the EGM and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to Hong Kong local times and dates.

2022

Latest time for lodging transfers of shares in order to qualify for attendance and voting at the EGM	4:00 p.m. on Tuesday 29, March
Register of members closes (both days inclusive)	Wednesday, 30 March to Wednesday, 6 April
Latest time for lodging forms of proxy for the EGM.....	11:00 a.m. on Monday, 4 April
Record date for attendance and voting at the EGM	Wednesday, 6 April
Date and time of the EGM	11:00 a.m. on Wednesday, 6 April
Publication of the announcement of the results of the EGM.....	Wednesday, 6 April

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation as set out herein.

Effective date of the Share Consolidation	Friday, 8 April
First day of free exchange of existing share certificates for new share certificates for Consolidated Shares.....	Friday, 8 April
Dealing in the Consolidated Shares commences.....	9:00 a.m. on Friday, 8 April
Original counter for trading in the Existing Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Friday, 8 April

EXPECTED TIMETABLE

Temporary counter for trading in the Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Friday, 8 April
Original counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of new share certificates for the Consolidation Shares) re-opens	9:00 a.m. on Tuesday, 26 April
Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) commences	9:00 a.m. on Tuesday, 26 April
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares	9:00 a.m. on Tuesday, 26 April
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:00 p.m. on Wednesday, 18 May
Temporary counter for trading in the Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Wednesday, 18 May
Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidation Shares and existing share certificates) ends	4:10 p.m. on Wednesday, 18 May
Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	Friday, 20 May

LETTER FROM THE BOARD



NEW CITY DEVELOPMENT GROUP LIMITED

新城市建設發展集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0456)

Executive Directors:

Mr. Han Junran (*Chairman*)

Mr. Luo Min

Independent non-executive Directors:

Mr. Chan Yiu Tung, Anthony

Dr. Ouyang Qingru

Mr. Leung Kwai Wah Alex

Mr. Zhang Jing

Mr. Wong Pak Wing

Mr. Luo Zhen

Registered Office:

P.O. Box 31119 Grand Pavilion

Hibiscus Way

802 West Bay Road

Grand Cayman KY1-1205

Cayman Islands

*Headquarters and principal of business
in Hong Kong:*

Flat D, 17/F

MG Tower, 133 Hoi Bun Road,

Kwun Tong

Kowloon, Hong Kong.

18 March 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSED SHARE CONSOLIDATION,
PROPOSED CHANGE IN BOARD LOT SIZE
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcements of the Company dated 28 February 2022, 7 March 2022 and 17 March 2022 in relation to, among other matters, the proposed Share Consolidation and Change in Board Lot Size. The purpose of this circular is to provide you with more information regarding the proposed Share Consolidation, proposed Change in Board Lot Size and the notice of EGM.

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

The Board proposes that every fifty (50) issued and unissued Existing Shares of par value of HK\$0.004 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.20 each.

Effects of the Share Consolidation

As at the Latest Practicable Date, there are 4,327,164,504 Existing Shares of par value of HK\$0.004 each in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued from the Latest Practicable Date up to the date of the EGM, upon the Share Consolidation becoming effective, there will be 86,543,290 Consolidated Shares of par value of HK\$0.20 each in issue which are fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank pari passu in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

Conditions of the Share Consolidation

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;
- (ii) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

The Share Consolidation is expected to become effective on Friday, 8 April 2022 subject to the fulfilment of the above conditions.

As at the Latest Practicable Date, none of the above conditions has been fulfilled.

Listing Application

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

LETTER FROM THE BOARD

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Adjustments in relation to other securities of the Company

As at the Latest Practicable Date, the Company has no other outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in board lots of 20,000 Existing Shares of par value of HK\$0.004 each. It is proposed that, subject to and conditional upon the Share Consolidation becoming effective, the board lot size for trading on the Stock Exchange be changed from 20,000 Existing Shares of par value of HK\$0.004 each to 2,000 Consolidated Shares of par value of HK\$0.20 each.

Based on the closing price of HK\$0.023 per Existing Share as quoted on the Stock Exchange as at the Latest Practicable Date, the value of each board lot of 2,000 Consolidated Shares, assuming the Share Consolidation had already become effective, would be HK\$2,300.

LETTER FROM THE BOARD

REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or proceed with a consolidation or splitting of securities. According to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020, (i) any trading price less than HK\$0.10 will be considered as approaching the extremities of HK\$0.01 as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

The Shares are currently traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. It is proposed that the board lot size will be amended to 2,000 Consolidated Shares when the Shares Consolidation becomes effective. Based on the closing price of HK\$0.023 per Existing Share (equivalent to the theoretical closing price of HK\$1.15 per Consolidation Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the theoretical market value of each board lot of the Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$2,300.

In view of the recent trading price of the Shares, the Board considers that the Share Consolidation will enable the Company to comply with the trading requirements under the Listing Rules and reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade. With a corresponding upward adjustment in the trading price of the Consolidated Shares, the Board believes that the Share Consolidation will make investing in the Shares more attractive to a broader range of investors, and therefore further broaden the shareholder base of the Company.

Save for the necessary professional expenses for the implementation of the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operation, management or financial position of the Company and the interests and rights of the Shareholders.

The Board considers that the Share Consolidation is essential to achieve the above-mentioned purpose. Taking into account of the potential benefits and the insubstantial amount of costs to be incurred, the Board is of the view that the Share Consolidation and the Change in Board Lot Size are in the best interest of the Company and the Shareholders as a whole.

As at the date of this circular, the Company has no intention to carry out other corporate actions in the next 12 months which may affect the trading in the Shares, and the Company does not have any concrete plan to conduct any fund-raising activities in the next 12 months.

LETTER FROM THE BOARD

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares (if any) will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company appointed a securities firm as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares.

Shareholders who wish to take advantage of this facility should contact Mr. Chester Chu Wai Pang of Fruit Tree Securities Limited at telephone number (+852) 2110 3390 from 9:00 a.m. on Tuesday, 26 April 2022 to 4:00 p.m. on Wednesday, 18 May 2022.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Exchange of certificates for Consolidated Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be Friday, 8 April 2022, Shareholders may on or after Friday, 8 April 2022 and until Friday, 20 May 2022 (both days inclusive), submit their existing share certificates in pink colour for the Existing Shares to the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for exchange for new share certificates in purple colour for the Consolidated Shares at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of new share certificates, a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the share registrar for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of Share Certificates cancelled or issued is higher.

After 4:10 p.m. on Wednesday, 18 May 2022, trading will only be in Consolidated Shares which share certificates will be issued in purple colour. Existing share certificates in pink colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

LETTER FROM THE BOARD

EGM

A notice convening the EGM to be held in a combination of an in-room meeting at Flat D, 17/F., MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong. and a ZOOM live webcast on Wednesday, 6 April 2022 at 11:00 a.m. is set out on pages 14 and 15 of this circular.

ACTION TO BE TAKEN

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. Whether or not you are able to attend the EGM, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 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 the holding of the EGM or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the meeting thereof (as the case may be).

The Company reminds the Shareholders who wish to exercise his/her/its voting rights that they must appoint the Chairman of the EGM as their proxy to vote on the resolution at the EGM.

After the conclusion of the EGM, the poll vote results will be published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.

RECOMMENDATION

The Directors consider that the proposed Share Consolidation is in the best interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of the ordinary resolution to be proposed at the EGM.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 30 March 2022 to Wednesday, 6 April 2022 (both days inclusive), during which period no transfer of Shares of the Company will be registered. In order to qualify for attending and voting at the meeting, all transfers of Shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Tuesday, 29 March 2022.

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 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.

MISCELLANEOUS

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

Yours faithfully,
By order of the Board
New City Development Group Limited
Han Junran
Chairman

NOTICE OF THE EGM



NEW CITY DEVELOPMENT GROUP LIMITED

新城市建設發展集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0456)

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “**EGM**”) of shareholders of New City Development Group Limited (the “**Company**”) will be held in a combination of an in-room meeting at Flat D, 17/F., MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong, and a ZOOM live webcast on Wednesday, 6 April 2022 at 11:00 a.m. for the purposes of considering and, if thought fit, passing the following resolution with or without amendments as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** subject to the fulfilment of all the conditions (the “**Conditions**”) set out in the section headed “Conditions of the Share Consolidation” in the circular of the Company dated Friday, 18 March 2022, a copy of which has been tabled at the EGM marked “A” and initialled by the chairman of the EGM for the purpose of identification, with effect from the second business day immediately following the date on which this resolution is passed or the Conditions are fulfilled (whichever is later):

- (a) every fifty (50) issued and unissued ordinary shares of par value of HK\$0.004 each in the share capital of the Company be and are hereby consolidated into one (1) consolidated share of par value of HK\$0.20 each (the “**Consolidated Shares**”) (the “**Share Consolidation**”), such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of the shares contained in the memorandum and articles of association of the Company;
- (b) all fractional entitlements to the issued Consolidated Shares resulting from the Share Consolidation (if any) will be disregarded and will not be issued to the shareholders of the Company but all such fractional Consolidated Shares will be aggregated and, if possible, sold and the net proceeds shall be retained for the benefit of the Company in such manner and on such terms as the directors of the Company (the “**Directors**”) may think fit; and
- (c) any one of the Directors be and is hereby authorised to do all such acts and things and sign, execute and deliver all documents (including affixing the common seal of the Company if appropriate) he or she considers necessary, desirable or expedient to give effect to the Share Consolidation and the transactions contemplated thereunder.”

By Order of the Board
New City Development Group Limited
Han Junran
Chairman

Hong Kong, Friday, 18 March 2022

NOTICE OF THE EGM

Registered Office:

P.O. Box 31119 Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

Headquarters and principal in Hong Kong:

Flat D, 17/F
MG Tower, 133 Hoi Bun Road
Kwun Tong,
Kowloon,
Hong Kong

Notes:

1. In view of the outbreak of the novel coronavirus (COVID-19) pandemic and recent requirements for prevention and control of its spread, the Company will implement special arrangements at the EGM, details of which are set out in the section headed ‘‘Special Arrangements for the EGM’’ on page 3 of the circular of the Company dated 18 March 2022.

All registered shareholders will be able to join the Meeting or any adjourned meeting thereof via the ZOOM live webcast. The ZOOM live webcast can be accessed from any location with access via smartphone, tablet device or computer. All non-registered shareholders may consult directly with their banks, brokers, custodians, nominees or HKSCC Nominees Limited through which their shares are held (as the case may be) for necessary arrangement to attend and vote via the ZOOM live webcast at the Meeting or any adjourned meeting thereof if they wish.

2. Any Shareholder of the Company entitled to attend and vote at the above meeting may appoint another person as his proxy to attend instead of him. A proxy need not be a Shareholder of the Company.
3. All resolution(s) at the EGM will be taken by way of poll pursuant to the Listing Rules and the results of the poll will be published on the website of Hong Kong Exchanges and Clearing Limited in accordance with the Listing Rules.
4. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the meeting, either personally 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.
5. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be delivered to the office of the Company’s Hong Kong branch share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 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 or any adjournment thereof. Completion and return of form of proxy will not preclude you from attending the meeting or any adjourned meeting thereof (as the case may be).
6. A form of proxy for use at the meeting is being despatched to the shareholders of the Company together with a copy of this notice.
7. The register of members of the Company will be closed from Wednesday, 30 March 2022 to Wednesday, 6 April 2022 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the meeting, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Tuesday, 29 March 2022.
8. If Typhoon Signal No. 8 or above, or a ‘‘black’’ rainstorm warning or ‘‘extreme conditions after super typhoons’’ announced by the Hong Kong Government is/are in effect any time after 8:00 a.m. on the date of the EGM, the meeting will be postponed. The Company will post an announcement on the websites of the Stock Exchange at www.hkexnews.hk to notify the Company’s shareholders of the date, time and place of the rescheduled meeting.