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

If you have sold or transferred all your shares in Deyun Holding Ltd. (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Deyun Holding Ltd.

德運控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1440)

PROPOSALS FOR

(1) ADOPTION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND REPORTS OF DIRECTORS AND AUDITORS,

(2) RE-ELECTION OF RETIRING DIRECTORS,

(3) RE-APPOINTMENT OF AUDITORS,

(4) GENERAL MANDATE TO ISSUE SHARES,

(5) GENERAL MANDATE TO REPURCHASE SHARES, AND

(6) EXTENSION MANDATE

AND

NOTICE OF 2022 ANNUAL GENERAL MEETING

A notice convening the 2022 annual general meeting of the Company (the “2022 AGM”) to be held at No. 97 Longjiangnan Road Longxia Village, Songxia Town Changde District, Fuzhou Fujian, the PRC on Wednesday, 25 May 2022 at 11:00 a.m. is set out on pages 21 to 24 of this circular.

A form of proxy is enclosed with this circular. Whether or not you are able to attend the 2022 AGM in person, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours (i.e. 11:00 a.m. on Monday, 23 May 2022) before the time appointed for holding the 2022 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2022 AGM or any adjournment thereof should you so wish. If you attend and vote in person at the AGM, the instrument appointing your proxy will be deemed to have been revoked. Such form of proxy is also published on the respective website of the Stock Exchange (www.hkexnews.hk) and the Company (www.ds-lace.com).

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing coronavirus disease (COVID-19) pandemic, the Company will implement the following precautionary measures at the 2022 AGM to protect attending shareholders, staff and stakeholders from the risk of infection including, without limitation:

- (1) Compulsory temperature checks
- (2) Submission of health declaration form
- (3) Wearing of surgical face mask
- (4) No provision of refreshments or drinks

Any person who does not comply with the precautionary measures, is with a body temperature above 37.2 degree Celsius, has any of the symptoms stated in the health declaration form or is subject to any government prescribed quarantine may be denied entry into the meeting venue. The Company reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
(1) Introduction	4
(2) Adoption of the audited consolidated financial statements and the Reports of the Directors and the Auditors for the year ended 31 December 2021	5
(3) Re-election of retiring Directors	5
(4) Re-appointment of the Auditors	7
(5) Proposed Issue Mandate, Repurchase Mandate and Extension Mandate	7
(6) Closure of the Register of Members	9
(7) 2022 AGM	9
(8) Responsibility of the Directors	9
(9) Recommendation	10
(10) General Information	10
Appendix I – Particulars of Retiring Directors for Re-election	11
Appendix II – Explanatory Statement for the Repurchase Mandate	16
Notice of 2022 Annual General Meeting	21

DEFINITIONS

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

“2021 Annual Report”	the annual report of the Company for the financial year ended 31 December 2021 despatched to the Shareholders on 8 April 2022
“2022 AGM”	the 2022 annual general meeting of the Company to be held at No. 97 Longjiangnan Road Longxia Village, Songxia Town Changle District, Fuzhou Fujian, the PRC on Wednesday, 25 May 2022 at 11:00 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“associate(s)”	has the same meaning defined in the Listing Rules
“Audit Committee”	the audit committee of the Board
“Auditors”	the auditor of the Company
“Board”	the board of Directors
“close associate(s)”	has the meaning defined in the Listing Rules
“Company”	Deyun Holding Ltd., a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1440)
“connected person(s)”	has the meaning defined in the Listing Rules
“controlling shareholder”	has the meaning defined in the Listing Rules
“core connected person(s)”	has the meaning defined in the Listing Rules
“Deyong Investment”	Deyong Investment Co., Ltd, a limited liability company incorporated in the BVI on 30 November 2018 which is owned by Mr. Lin Minqiang, Mr. Lin Bingzhong, Mr. Lin Chaoji, Mr. Lin Chaowei and Mr. Lin Chaowen, and is one of our Controlling Shareholders
“Deyun”	Fujian Deyun Technology Co., Ltd.* (福建德運科技有限公司), formerly known as Fuzhou Desheng Weaving and Dyeing Co., Ltd.* (福州德盛織染有限公司) and Fujian Deyun Technology Company Limited* (福建德運科技股份有限公司), a limited liability company incorporated in the PRC on 11 December 2002, and an indirectly wholly-owned subsidiary of our Company

DEFINITIONS

“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Glorious Way”	Glorious Way Investments Limited, a limited liability company incorporated in the BVI on 9 April 2019 and is wholly owned by Mr. Tsoi Wing Sing
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted at the 2022 AGM to the Directors to exercise all the powers of the Company to allot, issue and deal with Shares up to 20% of the number of issued Shares as at the date of passing such resolution
“Latest Practicable Date”	Thursday, 31 March 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	a general and unconditional repurchase mandate proposed to be granted at the 2022 AGM to the Directors to exercise all the powers of the Company to repurchase Shares up to 10% of the number of issued Shares as at the date of passing such resolution
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning defined in the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“Xingsheng”	Fujian Changle Xingsheng Warp-knitted Fabrics Co., Ltd.* (福建省長樂市興盛經編織物有限公司) (formerly known as Changle Warp Knitted Fabrics Factory* (長樂市經編織物廠), a former limited liability company incorporated in the PRC on 21 October 1996 prior to its merger with Deyun by way of absorption on 23 January 2006
“%”	per cent

* For identification purpose only

LETTER FROM THE BOARD

Deyun Holding Ltd.

德運控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1440)

Executive Directors:

Mr. Lin Minqiang (*Chairman*)
Mr. Lin Chaowei
Mr. Lin Chaowen
Mr. Lin Bingzhong
Mr. Wei Cunzhuo
Ms. Lin Lili

Registered office in Cayman Islands:

71 Fort Street
P. O. Box 500
George Town
Grand Cayman KY1-1106
Cayman Islands

Independent Non-executive Directors:

Mr. Sheng Zijiu
Mr. Chow Kit Ting
Mr. Yip Koon Shing
Mr. Wong Chun Sek Edmund

*Principal place of business
in Hong Kong:*

Unit 1705, 17/F
Strand 50
50 Bonham Strand
Sheung Wan
Hong Kong

8 April 2022

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) ADOPTION OF AUDITED CONSOLIDATED FINANCIAL
STATEMENTS AND REPORTS OF DIRECTORS AND AUDITORS,
(2) RE-ELECTION OF RETIRING DIRECTORS,
(3) RE-APPOINTMENT OF AUDITORS,
(4) GENERAL MANDATE TO ISSUE SHARES,
(5) GENERAL MANDATE TO REPURCHASE SHARES, AND
(6) EXTENSION MANDATE
AND
NOTICE OF 2022 ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to give you notice of the 2022 AGM and to provide you with details of the resolutions to be proposed at the 2022 AGM relating to:

- (1) the adoption of the audited consolidated financial statements and the Reports of the Directors and the Auditors for the year ended 31 December 2021;

* for identification purpose only

LETTER FROM THE BOARD

- (2) the proposed re-election of the retiring Directors;
- (3) the proposed re-appointment of the Auditors;
- (4) the granting of the Issue Mandate to the Directors;
- (5) the granting of the Repurchase Mandate to the Directors; and
- (6) the granting of the Extension Mandate to the Directors.

2. ADOPTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND THE AUDITORS FOR THE YEAR ENDED 31 DECEMBER 2021

The audited consolidated financial statements of the Company for the year ended 31 December 2021 together with the Reports of the Directors and the Auditors, are set out in the 2021 Annual Report which will be sent to the Shareholders together with this circular. The 2021 Annual Report may be viewed and downloaded from the Company's website (www.ds-lace.com) and the Hong Kong Exchanges and Clearing Limited's website (www.hkexnews.hk). The audited consolidated financial statements have been reviewed by the Audit Committee.

3. RE-ELECTION OF RETIRING DIRECTORS

The Board currently comprises six Executive Directors, namely Mr. Lin Minqiang (chairman of the Board of the Company), Mr. Lin Chaowei, Mr. Lin Chaowen, Mr. Lin Bingzhong, Mr. Wei Cunzhuo and Ms. Lin Lili; and four Independent Non-executive Directors, namely Mr. Sheng Zijiu, Mr. Chow Kit Ting, Mr. Yip Koon Shing and Mr. Wong Chun Sek Edmund.

Pursuant to Article 108(a) of the Articles of Association, 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 the retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

Pursuant to Articles 108(a) of the Articles of Association, Mr. Wei Cunzhuo, Ms. Lin Lili, Mr. Yip Koon Shing and Mr. Wong Chun Sek Edmund, being eligible, offer themselves for re-election at the 2022 AGM.

The re-election of Directors has been reviewed by the Nomination Committee which recommended to the Board that the re-election be proposed for Shareholders' approval at the 2022 AGM. The nominations were made in accordance with the Nomination Policy of the Company and the objective criteria for the nominations including but not limited to, race, gender, age, cultural and educational background, professional qualification, skills, knowledge, industry experience and length of service, with due regard for the benefits of diversity as set out under the Board Diversity Policy of the Company.

LETTER FROM THE BOARD

In recommending each of Mr. Wei Cunzhuo and Ms. Lin Lili, to stand for re-election as an Executive Director, Mr. Yip Koon Shing and Mr. Wong Chun Sek Edmund to stand for re-election as an Independent Non-executive Director, the Nomination Committee has considered the following backgrounds and attributes of the nominees concerned:

- (1) Mr. Wei Cunzhuo has over 26 years of experience in the accounting position in the weaving and dyeing industry. He obtained his graduation certificate in Financial Accounting major from Jingiang District Supply and Marketing School in July 1983;
- (2) Ms. Lin Lili has as over 4 years of experience in the fabrics weaving and dyeing industry. She obtained her Master of Arts degree from Xiamen University in June 2008. She obtained the certificate for the qualifications of teachers in institutions of higher learning from the Education Department of Fujian in December 2011;
- (3) Mr. Yip Koon Shing has over 26 years of experience in business development and management in the transportation and logistics industry. obtained his Bachelor of Science in business administration degree from California State Polytechnic University, Pomona in June 1988. He obtained his master of business administration degree from Loyola Marymount University in May 1992; and
- (4) Mr. Wong Chun Sek Edmund has over 14 years of accounting and corporate management experience. He was admitted as an associate of the Hong Kong Institute of Chartered Secretaries and was elected associate of the Chartered Governance Institute, formerly known as Institute of Chartered Secretaries and Administrators in December 2017. In March 2019, he was elected as a fellow of the two aforesaid institutes.

The Nomination Committee considered that in view of their diverse and different educational backgrounds and professional knowledge and experience in the respective fields of business management, sales and marketing, and accounting and finance as mentioned above and as set out in Appendix I to this circular, the appointment of Mr. Wei Cunzhuo, Ms. Lin Lili, Mr. Yip Koon Shing and Mr. Wong Chun Sek Edmund as Directors will bring valuable perspectives, knowledge, skills and experiences to the Board for its efficient and effective functioning and their appointments will contribute to the diversity of the Board appropriate to the requirements of the Company's business.

The Nomination Committee has also assessed the independence of all the Independent Non-executive Directors. All the Independent Non-executive Directors satisfy the Independence Guidelines set out in the Listing Rules and has provided to the Company annual written confirmations of their independence.

At the 2022 AGM, an ordinary resolution will be proposed to re-elect each of Mr. Wei Cunzhuo and Ms. Lin Lili as Executive Directors, and each of Mr. Yip Koon Shing and Mr. Wong Chun Sek Edmund as Independent Non-executive Directors.

Details of the above mentioned retiring Directors who are subject to re-election at the 2022 AGM are set out in Appendix I to this circular.

LETTER FROM THE BOARD

4. RE-APPOINTMENT OF THE AUDITORS

PricewaterhouseCoopers will retire as the Auditors of the Company at the 2022 AGM and, being eligible, offer themselves for re-appointment.

The Board, upon the recommendation of the Audit Committee, proposed to re-appoint PricewaterhouseCoopers as the Auditors of the Company and to hold office until the conclusion of the 2023 annual general meeting of the Company.

5. PROPOSED ISSUE MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

At the 2021 annual general meeting of the Company, a general mandate was given to the Directors to exercise the powers of the Company to:

- (1) allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue immediately following the completion of the capitalisation issue and the public offer and placing of the Shares (the “**Share Offer**”);
- (2) repurchase Shares up to 10% of the total number of Shares in issue immediately following the completion of the capitalisation issue and the Share Offer; and
- (3) extend to the general mandate to allot, issue and deal with Shares pursuant to paragraph (1) above to include the aggregate number of Shares which may be repurchased pursuant to paragraph (2) above.

The above general mandates will expire at the conclusion of the 2022 AGM and the purpose of this circular is to request the approval of the Shareholders to renew the general mandate as referred to in paragraphs (1), (2) and (3) above in the 2022 AGM to be held on 25 May 2022.

Issue Mandate

At the 2022 AGM, an ordinary resolution will be proposed to grant to the Directors a new general and unconditional mandate to allot, issue and otherwise deal with the aggregate number of Shares up to 20% of the issued Shares as at the date of the passing of the proposed resolution (the “**Issue Mandate**”).

As at the Latest Practicable Date, the Company had 1,260,000,000 Shares in issue. Subject to the passing of the relevant resolution to approve the Issue Mandate and on the assumption that no further Shares will be allotted and issued or repurchased prior to the date of the 2022 AGM, the Directors would be authorised to allot, issue and otherwise deal with a maximum of 252,000,000 Shares under the Issue Mandate.

LETTER FROM THE BOARD

Repurchase Mandate

At the 2022 AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares on the Stock Exchange of an aggregate number of Shares up to 10% of the issued Shares as at the date of granting of the Repurchase Mandate (the “**Repurchase Mandate**”).

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the assumption that no further Shares are allotted, issued or repurchased between the Latest Practicable Date and the date of the 2022 AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 126,000,000 Shares.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

Extension Mandate

In addition, subject to the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2022 AGM to authorise the Directors to extend the Issue Mandate to allot and issue Shares by an amount of Shares representing the aggregate number of Shares of the Company purchased or repurchased by the Company pursuant to the authority granted to the Directors under the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate number of the issued Shares of the Company as at the date of passing the resolution for approving the Repurchase Mandate (the “**Extension Mandate**”).

The Issue Mandate and the Repurchase Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the 2022 AGM; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or the applicable laws of the Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

The Directors have no present intention to exercise the Issue Mandate, the Repurchase Mandate and the Extension Mandate (if granted to the Directors at the 2022 AGM).

LETTER FROM THE BOARD

6. CLOSURE OF THE REGISTER OF MEMBERS

The 2022 AGM will be held on Wednesday, 25 May 2022 at 11:00 a.m. For determining the entitlement to attend and vote at the 2022 AGM, the register of members of the Company will be closed from Friday, 20 May 2022 to Wednesday, 25 May 2022, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the 2022 AGM, unregistered holders of the Shares should ensure that all share transfer forms accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 19 May 2022.

7. 2022 AGM

A notice convening the 2022 AGM is set out on pages 21 to 24 of this circular. The 2022 AGM will be held at No. 97 Longjiangnan Road, Longxia Village, Songxia Town, Changle District, Fuzhou, Fujian, the PRC on Wednesday, 25 May 2022 at 11:00 a.m., for the purpose of considering and, if thought fit, approving the resolutions as set out therein.

Article 79 of the Articles of Association provides that on a poll, every Shareholder present in person or by proxy shall have one vote for every Share of which he is the holder which is fully paid or credited as fully paid. An announcement on the poll vote results will be made by the Company after the 2022 AGM, in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the 2022 AGM is also enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to Computershare Hong Kong Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, and in any event not later than 48 hours (i.e. 11:00 a.m. on Monday, 23 May 2022) before the time appointed for holding the 2022 AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the 2022 AGM or any adjournment thereof should you so wish.

8. RESPONSIBILITY OF THE DIRECTORS

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

LETTER FROM THE BOARD

9. RECOMMENDATION

At the 2022 AGM, ordinary resolutions will be proposed to approve, among other matters, the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; the re-election of retiring Directors and the re-appointment of Auditors.

The Directors believe that the proposed grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors and the re-appointment of the Auditors are in the best interests of the Company and the Shareholders. The Directors believe that an exercise of the Issue Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company. The Repurchase Mandate 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 exercised when the Directors believe that such repurchase of Shares will benefit the Company and the Shareholders. An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and/or gearing position of the Company. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital requirements or the gearing levels of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of all resolutions to be proposed at the 2022 AGM.

10. GENERAL INFORMATION

In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

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

Yours faithfully,
By order of the Board
Deyun Holding Ltd.
Lin Minqiang
Chairman

APPENDIX I PARTICULARS OF RETIRING DIRECTORS FOR RE-ELECTION

The biographical details of the retiring Directors eligible for re-election at the 2022 AGM are set out as follows:

EXECUTIVE DIRECTORS

Mr. Wei Cunzhuo (魏存灼), aged 58, is an Executive Director. Mr. Wei Cunzhuo was appointed as a Director of our Company on 17 February 2020 and was re-designated as our Executive Director on 20 March 2020. He is responsible for the financial and administration functions of our Group.

Mr. Wei Cunzhuo has over 26 years of experience in the accounting position in the weaving and dyeing industry. Mr. Wei Cunzhuo was the accountant of Changle City Association of Supply and Marketing Cooperatives since August 1983. From March 1994 to January 2006, Mr. Wei Cunzhuo was the financial manager of Xingsheng. Mr. Wei Cunzhuo joined Deyun in January 2006 as the chief financial officer and the manager of the administration department, and he has been appointed as a director and has been managing the financial work, coordinating financial institutions and handling human resources issues of Deyun since then.

Mr. Wei Cunzhuo obtained his graduation certificate in Financial Accounting major from Jingiang District Supply and Marketing School in July 1983.

Mr. Wei Cunzhuo has signed a letter of appointment with the Company as Executive Director for a period of three years commencing from the 16 December 2020 and will continue thereafter. Mr. Wei Cunzhuo is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. Mr. Wei Cunzhuo is entitled to an annual remuneration of RMB97,000 (excluding payment pursuant to any discretionary benefits or bonus, granting of share options or other fringe benefits) payable by the Company. Mr. Wei Cunzhuo's remuneration is recommended by the Remuneration Committee and approved by the Board at its absolute discretion, a discretionary bonus, the amount of which is determined with reference to the operating results of the Group and his performance. His appointment is subject to the provisions of retirement by rotation of Directors under the Articles of Association.

Saved as disclosed above, (i) Mr. Wei Cunzhuo has not held any other directorships in any public companies which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) Mr. Wei Cunzhuo has not held any other positions in the Company and other members of the Group; and (iii) Mr. Wei Cunzhuo does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Wei Cunzhuo did not have any other interests in the securities of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules in respect of Mr. Wei Cunzhuo's re-election.

APPENDIX I PARTICULARS OF RETIRING DIRECTORS FOR RE-ELECTION

Ms. Lin Lili (林莉莉), aged 39, is an Executive Director and the chairman of the Nomination Committee.

Ms. Lin Lili was appointed as a Director of our Company on 17 February 2020 and was re-designated as our Executive Director on 20 March 2020. She is responsible for the information disclosure of our Group.

Ms. Lin was a lecturer in the Foreign Language College of Jimei University in Xiamen from March 2009 to March 2016. In April 2016, she took the position of the secretary of the board of Deyun.

Ms. Lin obtained her Master of Arts degree from Xiamen University in June 2008. She obtained the certificate for the qualifications of teachers in institutions of higher learning from the Education Department of Fujian in December 2011.

Ms. Lin Lili is the daughter of Mr. Lin Minqiang and the niece of Mr. Lin Bingzhong. Ms. Lin Lili is the cousin of Mr. Lin Chaowei and Mr. Lin Chaowen. Saved as disclosed in this section, Ms. Lin Lili is not connected with any other Directors or members of the senior management of our Company.

Ms. Lin Lili has signed a letter of appointment with the Company as Executive Director for a period of three years commencing from the 16 December 2020 and will continue thereafter. Ms. Lin Lili is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. Ms. Lin Lili is entitled to an annual remuneration of RMB60,000 (excluding payment pursuant to any discretionary benefits or bonus, granting of share options or other fringe benefits) payable by the Company. Ms. Lin Lili's remuneration is recommended by the Remuneration Committee and approved by the Board at its absolute discretion, a discretionary bonus, the amount of which is determined with reference to the operating results of the Group and his performance. Her appointment is subject to the provisions of retirement by rotation of Directors under the Articles of Association.

Saved as disclosed above, (i) Ms. Lin Lili has not held any other directorships in any public companies which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) Ms. Lin Lili has not held any other positions in the Company and other members of the Group; and (iii) Ms. Lin Lili does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Lin Lili did not have any other interests in the securities of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules in respect of Ms. Lin Lili's re-election.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yip Koon Shing (葉冠成, previously known as Yip Shing Kee 葉成基), aged 56, was appointed as our Independent Non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee and of the Nomination Committee on 16 December 2020. Mr. Yip Koon Shing is primarily responsible for supervising the management of our Group independently.

Mr. Yip Koon Shing has over 26 years of experience in business development and management in the transportation and logistics industry. Mr. Yip was an executive of 3M Cogent Systems Inc. from March 1987 to January 1991. He worked as an executive assistant in Freight Services Group of Jardine Matheson & Co. in Hong Kong from April 1992 to October 1993, and took the position of assistant general manager and chief representative of Jardine Transport Services Group from October 1993 to June 1997 as his last position. At this position, Mr. Yip Koon Shing was mainly responsible for managing business and operations of the entity and acting as key liaison with overseas in managing business in China. Subsequently, Mr. Yip Koon Shing started his own company, Good One Logistics Group, in July 1997 and has been acting as its founder and chief advisor since then. Mr. Yip Koon Shing is currently also an independent non-executive director of Orange Tour Cultural Holding Limited, a company listed on the GEM of the Stock Exchange (Stock Code: 8627).

Mr. Yip Koon Shing obtained his Bachelor of Science in business administration degree from California State Polytechnic University, Pomona in June 1988. Mr. Yip Koon Shing obtained his master of business administration degree from Loyola Marymount University in May 1992.

Mr. Yip Koon Shing has signed a letter of appointment with the Company as Independent Non-executive Director for a period of three year commencing from 16 December 2020. Mr. Yip Koon Shing is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. Mr. Yip Koon Shing is entitled to an annual director's fee of RMB120,000. The amount of emoluments is determined by arm's length negotiation between the parties with reference to the prevailing market rate and the Company's policy.

Other than disclosed above, Mr. Yip Koon Shing has not held any directorships in any other public companies in the past three years. Save as disclosed in this circular, Mr. Yip Koon Shing does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date and according to the information received by the Company pursuant to Part XV of the SFO, Mr. Yip Koon Shing not have any interests in the shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

The Company has received from Mr. Yip Koon Shing a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers Mr. Yip Koon Shing is independent.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules in respect of Mr. Yip Koon Shing's re-election.

APPENDIX I PARTICULARS OF RETIRING DIRECTORS FOR RE-ELECTION

Mr. Wong Chun Sek Edmund (黃俊碩), aged 37, was appointed as our Independent Non-executive Director, a member of the Remuneration Committee, the Audit Committee and the Nomination Committee on 16 December 2020. Mr. Wong is primarily responsible for supervising the management of our Group independently.

Mr. Wong Chun Sek Edmund has over 14 years of accounting and corporate management experience. Mr. Wong Chun Sek Edmund joined Deloitte Touche Tohmatsu as audit associate in September 2007 and left as audit senior in November 2011. He then took the position of audit manager of Patrick Wong CPA Limited from February 2012 and has been its practising director since March 2013. Mr. Wong Chun Sek Edmund has also been an independent non-executive director of InvesTech Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 1087), from 5 June 2017 to 14 May 2021 and an independent non-executive director of Confidence Intelligence Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 1967), since 20 September 2019.

In November 2007, Mr. Wong Chun Sek Edmund obtained his Bachelor of Commerce (Honors) in Accountancy degree from Hong Kong Baptist University. He subsequently obtained his Master of Science in Applied Accounting and Finance degree from Hong Kong Baptist University in November 2013. Mr. Wong Chun Sek Edmund obtained his Master of Business Administration degree in October 2016 and Master of Corporate Governance degree in August 2017 both from The Open University of Hong Kong. In September 2011, Mr. Wong was admitted as a member of the Hong Kong Institute of Certified Public Accountants, In March 2013, he was registered as a certified public accountant (practising) by the Hong Kong Institute of Certified Public Accountants. Mr. Wong Chun Sek Edmund was also admitted as an associate of The Institute of Chartered Accountants in England and Wales in July 2012. In August 2015, Mr. Wong Chun Sek Edmund was admitted a member of the Association of Chartered Certified Accountants (ACCA). Mr. Wong Chun Sek Edmund was admitted as an associate of the Hong Kong Institute of Chartered Secretaries and was elected associate of the Chartered Governance Institute, formerly known as Institute of Chartered Secretaries and Administrators in December 2017. In March 2019, Mr. Wong Chun Sek Edmund was elected as a fellow of the two aforesaid institutes.

Mr. Wong Chun Sek Edmund has entered into a letter of appointment with the Company as Independent Non-executive Director for a period of three years commencing from 16 December 2020. Mr. Wong Chun Sek Edmund is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. Mr. Wong Chun Sek Edmund is entitled to an annual director's fee of RMB120,000. The amount of emoluments is determined by arm's length negotiation between the parties with reference to the prevailing market rate and the Company's policy.

Other than disclosed above, Mr. Wong Chun Sek Edmund has not held any directorships in any other public companies in the past three years. Save as disclosed in this circular, Mr. Wong Chun Sek Edmund does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

APPENDIX I PARTICULARS OF RETIRING DIRECTORS FOR RE-ELECTION

As at the Latest Practicable Date and according to the information received by the Company pursuant to Part XV of the SFO, Mr. Wong Chun Sek Edmund not have any interests in the shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

The Company has received from Mr. Wong Chun Sek Edmund a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers Mr. Wong Chun Sek Edmund is independent.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules in respect of Mr. Wong Chun Sek Edmund's re-election.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required under the Listing Rules to provide the requisite information to you for your consideration of the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares in issue was 1,260,000,000. Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the assumption that no further Shares are allotted, issued or repurchased prior to the 2022 AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 126,000,000 Shares, representing 10% of the number of issued Shares as at the date of passing the resolution, during the period up to (a) the conclusion of the next annual general meeting of the Company following the 2022 AGM; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or the applicable laws of the Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company, whichever occurs first.

REASONS FOR REPURCHASE

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

FUNDING OF REPURCHASE

Repurchase by the Company must be funded out of funds legally available for such purpose in accordance with the Articles of Association, the applicable laws and regulations of the Cayman Islands and the Listing Rules. It is envisaged that the funds required for any repurchase would be derived from the distributable profits of the Company.

IMPACT OF REPURCHASE

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position as at 31 December 2021, being the date of the Company's latest published audited consolidated financial statements. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

DIRECTORS' INTENTION TO SELL SHARES

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell Shares to the Company or its subsidiaries.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the memorandum and articles of associations of the Company.

CONNECTED PARTIES

The Listing Rules prohibit a company from knowingly purchasing its securities on the Stock Exchange from a "core connected person", that is, a Director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective close associates, and a core connected person (as defined in the Listing Rules) is prohibited from knowingly selling his/her/its securities of the Company to the Company.

As at the Latest Practicable Date, no core connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

EFFECT OF THE TAKEOVERS CODE

If, as a result of a securities repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code and the provision may apply as a result of any such increase. The Directors are not aware of any consequences of repurchase which would arise under the Takeovers Code.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

As at the Latest Practicable Date, the following Shareholders had interests representing 5% or more of the Shares then in issue:

Name of Shareholder	Nature of interest	Number of Shares held/interested ⁽¹⁾	Approximate % of the total number of Shares in issue	Approximate % of the total number of Shares in issue should the Repurchase Mandate be exercised in full
Deyong Investment	Beneficial owner ⁽²⁾	850,500,000 (L)	67.5%	75.0%
Mr. Lin Minqiang	Interest in a controlled corporation ⁽³⁾ Interest held jointly with other persons ⁽⁴⁾	850,500,000 (L)	67.5%	75.0%
Ms. Lin Yueyun	Interest of spouse ⁽⁵⁾	850,500,000 (L)	67.5%	75.0%
Mr. Lin Bingzhong	Interest held jointly with other persons ⁽⁴⁾	850,500,000 (L)	67.5%	75.0%
Ms. Jiang Yanyun	Interest of spouse ⁽⁶⁾	850,500,000 (L)	67.5%	75.0%
Mr. Lin Chaoji	Interest held jointly with other persons ⁽⁴⁾	850,500,000 (L)	67.5%	75.0%
Ms. Zheng Xiuqin	Interest of spouse ⁽⁷⁾	850,500,000 (L)	67.5%	75.0%
Mr. Lin Chaowei	Interest held jointly with other persons ⁽⁴⁾	850,500,000 (L)	67.5%	75.0%
Ms. Lin Yunzhen	Interest of spouse ⁽⁸⁾	850,500,000 (L)	67.5%	75.0%
Mr. Lin Chaowen	Interest held jointly with other persons ⁽⁴⁾	850,500,000 (L)	67.5%	75.0%
Ms. Lin Aimei	Interest of spouse ⁽⁹⁾	850,500,000 (L)	67.5%	75.0%
Glorious Way	Beneficial owner ⁽¹⁰⁾	94,500,000 (L)	7.5%	8.33%
Mr. Tsoi Wing Sing	Interest in a controlled corporation and beneficial owner ⁽¹¹⁾	119,500,000 (L)	9.48%	10.54%
Ms. Wu Chor Har	Interest of spouse ⁽¹²⁾	119,500,000 (L)	9.48%	10.54%

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

Notes:

- (1) The letter “L” denotes the person’s long position in the Shares.
- (2) Deyong Investment is an investment holding company incorporated in the BVI and is owned by Mr. Lin Minqiang, Mr. Lin Bingzhong, Mr. Lin Chaoji, Mr. Lin Chaowei and Mr. Lin Chaowen as to 60%, 11.6%, 10.54%, 9.22% and 8.64%, respectively.
- (3) Mr. Lin Minqiang beneficially owns 60% of the issued shares of Deyong Investment, which in turn holds 67.5% of the Shares. Therefore, Mr. Lin Minqiang is deemed, or taken, to be interested in the Shares held by Deyong Investment for the purposes of the SFO. Mr. Lin Minqiang is a director of Deyong Investment.
- (4) On 31 December 2019, Mr. Lin Minqiang, Mr. Lin Bingzhong, Mr. Lin Chaoji, Mr. Lin Chaowei and Mr. Lin Chaowen entered into the Acting in Concert Agreement to acknowledge and confirm (among other things) that they are parties acting in concert during the Track Record Period and that to continue to act in the same manner in our Group after Listing. As such, by virtue of the SFO, Mr. Lin Minqiang, Mr. Lin Bingzhong, Mr. Lin Chaoji, Mr. Lin Chaowei and Mr. Lin Chaowen are deemed to be interested in all the Shares held by Deyong Investment.
- (5) Ms. Lin Yueyun is the spouse of Mr. Lin Minqiang. Therefore, Ms. Lin Yueyun is deemed to be, or taken to be, interested in the Shares which Mr. Lin Minqiang is interested in for the purposes of the SFO.
- (6) Ms. Jiang Yanyun is the spouse of Mr. Lin Bingzhong. Therefore, Ms. Jiang Yanyun is deemed to be, or taken to be, interested in the Shares which Mr. Lin Bingzhong is interested in for the purposes of the SFO.
- (7) Ms. Zheng Xiuqin is the spouse of Mr. Lin Chaoji. Therefore, Ms. Zheng Xiuqin is deemed to be, or taken to be, interested in the Shares which Mr. Lin Chaoji is interested in for the purposes of the SFO.
- (8) Ms. Lin Yunzhen is the spouse of Mr. Lin Chaowei. Therefore, Ms. Lin Yunzhen is deemed to be, or taken to be, interested in the Shares which Mr. Lin Chaowei is interested in for the purposes of the SFO.
- (9) Ms. Lin Aimei is the spouse of Mr. Lin Chaowen. Therefore, Ms. Lin Aimei is deemed to be, or taken to be, interested in the Shares which Mr. Lin Chaowen is interested in for the purposes of the SFO.
- (10) Glorious Way is an investment holding company incorporated in the BVI and is wholly owned by Mr. Tsoi Wing Sing.
- (11) Mr. Tsoi Wing Sing (i) directly and beneficially holds 1.98% of the shares of the Company; and (ii) beneficially owns 100% of the issued shares of Glorious Way, which in turn holds 7.50% of the shares of the Company. Mr. Tsoi Wing Sing is a director of Glorious Way. Therefore, Mr. Tsoi Wing Sing is deemed, or taken to be, interested in the shares of the Company held by Glorious Way for the purpose of the SFO and in aggregate holds 9.48% of the Shares of the Company.
- (12) Ms. Wu Chor Har is the spouse of Mr. Tsoi Wing Sing. Therefore, Ms. Wu Chor Har is deemed to be, or taken to be, interested in the Shares which Mr. Tsoi Wing Sing is interested in for the purposes of the SFO.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

The Directors will not repurchase the Shares on the Stock Exchange if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25% of the total issued share capital of the Company, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

SHARE PRICE

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during in each of the 12 months immediately preceding the Latest Practicable Date were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2021		
April	0.59	0.47
May	0.79	0.47
June	0.77	0.59
July	0.96	0.68
August	1.27	0.78
September	1.10	0.65
October	0.75	0.64
November	0.70	0.54
December	0.62	0.51
2022		
January	0.70	0.56
February	0.78	0.55
March	0.66	0.31

SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

NOTICE OF 2022 ANNUAL GENERAL MEETING

Deyun Holding Ltd.

德運控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1440)

NOTICE IS HEREBY GIVEN that the 2022 annual general meeting (the “**2022 AGM**”) of Deyun Holding Ltd. (the “**Company**”) will be held at No. 97 Longjiangnan Road Longxia Village, Songxia Town Changle District, Fuzhou Fujian, the PRC on Wednesday, 25 May 2022 at 11:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive, consider and approve the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2021 and the reports of the directors (the “**Directors**”) and auditor of the Company for the year ended 31 December 2021.
2.
 - (a) To re-elect Mr. Wei Cunzhuo as an Executive Director;
 - (b) To re-elect Ms. Lin Lili as an Executive Director;
 - (c) To re-elect Mr. Yip Koon Shing as an Independent Non-executive Director;
 - (d) To re-elect Mr. Wong Chun Sek Edmund as an Independent Non-executive Director; and
 - (e) To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint PricewaterhouseCoopers as the auditor of the Company and to authorise the Board to fix its remuneration.

To consider as special business and, if thought fit, passing with or without modification, the following resolutions as ordinary resolutions:

4. “**THAT:**
 - (a) subject to paragraph (c) of this resolution, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), 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 shares of the Company (“**Shares**”) or securities convertible into the Shares, options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements or options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

* for identification purpose only

NOTICE OF 2022 ANNUAL GENERAL MEETING

- (b) the approval given in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into the Shares) which might require the exercise of aforesaid powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given in paragraph (a) and (b) of this resolution, otherwise than pursuant to:
 - i. a Rights Issue (as hereinafter defined); or
 - ii. any issue of Shares upon exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into the Shares; or
 - iii. the exercise of any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire Shares; or
 - iv. any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares pursuant to the articles of association of the Company in force from time to time,

shall not in total exceed 20% of the aggregate number of Shares in issue on the date of the passing of this resolution and the said approval shall be limited accordingly; and

- (d) 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 of the Company or any applicable laws of the Cayman Islands to be held; or
 - iii. the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, renewing or varying of the authority set out in this resolution.

NOTICE OF 2022 ANNUAL GENERAL MEETING

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares at that date (subject to such exclusion 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 any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. “**THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on the Stock Exchange or on 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 such purpose, subject to and in accordance with rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the articles of association of the Company and all applicable laws of the Cayman Islands and/or other applicable laws in this regards, be and the same is hereby generally and unconditional approved;
- (b) the approval in paragraph (a) of this resolution 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 the Shares repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate number of issued Shares as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the time of the 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 of the Company or any applicable laws to be held; or
 - iii. the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, renewing and varying the authority set out in this resolution.”

NOTICE OF 2022 ANNUAL GENERAL MEETING

6. “**THAT** conditional upon the passing of Resolutions numbered 4 and 5 set out in the notice of the annual general meeting at which this resolution is considered, the general mandate granted to the Directors to allot, issue or otherwise deal with additional Shares pursuant to Resolution numbered 4 above of which this resolution forms part be and is hereby extended by the addition thereto of the aggregate number of Shares which may be repurchased or agreed to be repurchased by the Company under the authority granted pursuant to the Resolution numbered 5 above, provided that such number of Shares so repurchased by the Company shall not exceed 10% of aggregate number of issued Shares as at the date of passing of this resolution.”

By order of the Board
Deyun Holding Ltd.
Lin Minqiang
Chairman

Hong Kong, 8 April 2022

Notes:

- (1) Any member of the Company entitled to attend and vote at the 2022 AGM shall be entitled to appoint another person as its/his/her proxy to attend and vote instead of it/him/her and so appointed shall have the same right as the member to speak at the meeting. A member who is the holder of two or more Shares may appoint one or more proxies to attend and vote instead of it/him/her. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the 2022 AGM is enclosed herewith.
- (3) The form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be under its seal or the hand of an officer, attorney or other person duly authorised.
- (4) The form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be lodged at the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not later than 48 hours (i.e. 11:00 a.m. on Monday, 23 May 2022) before the time appointed for holding the 2022 AGM or any adjourned meeting (as the case may be) and in default the proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the 2022 AGM or at any adjourned meeting (as the case may be) should they so wish.
- (5) Where there are joint registered holders of any Share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such Share as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, the vote of that one of the said persons so present whose name stands first on the register of members in respect of such Share shall be accepted to exclusion of the votes of the other joint holders.
- (6) The register of members of the Company will be closed from Friday, 20 May 2022 to Wednesday, 25 May 2022, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the 2022 AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 19 May 2022.