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

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

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DaFa Properties Group Limited 大发地产集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6111)

(1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS (2) PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES AND (3) NOTICE OF THE ANNUAL GENERAL MEETING

Capitalised terms used in this cover shall have the same meanings as those defined in this circular.

A notice convening the AGM to be held at Rooms 2805–06, 28th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 17 June 2022 at 2:00 p.m. is set out on pages 16 to 19 of this circular. A form of proxy for use at the AGM is also sent to the Shareholders together with this circular. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.dafaland.com).

Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to Computershare, the branch share registrar of the Company in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the 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 AGM or any adjournment thereof if you so desire.

PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing development of the COVID-19 pandemic, the following precautionary measures will be implemented at the AGM:

1. compulsory body temperature screening/checks. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the AGM venue;
2. no entry to the AGM venue by any Shareholder who has any symptom of COVID-19 or is under quarantine order by Hong Kong Government;
3. mandatory wearing of surgical mask throughout the AGM; and
4. no refreshment and corporate gifts will be distributed to the Shareholders at the AGM.

Shareholders are encouraged to consider appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM, instead of attending the AGM in person.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Rooms 2805–06, 28th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 17 June 2022 at 2:00 p.m., or any adjournment thereof, to consider and, if thought fit, approve the resolutions contained in the notice of the AGM which is set out on pages 16 to 19 of this circular
“Articles of Association”	the amended and restated memorandum and articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“Cayman Companies Law”	the Companies Law, Cap 22 (Law 3, of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	DaFa Properties Group Limited, an exempted company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6111)
“Computershare”	Computershare Hong Kong Investor Services Limited, the branch share registrar of the Company in Hong Kong
“Controlling Shareholders”	collectively, Mr. GE Hekai (葛和凱), Mr. GE Yiyang (葛一陽), Mr. GE Heming (葛和鳴), Ms. JIN Linyin (金林蔭), Splendid Sun, Sound Limited, Shade (BVI), Glorious Villa and He Hong
“Director(s)”	the director(s) of the Company
“Glorious Villa”	Glorious Villa Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, a controlling Shareholder which is indirectly wholly-owned by a trust established in Cayman Islands by Mr. GE Yiyang
“Group”	the Company and its subsidiaries
“He Hong”	He Hong Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, which is indirectly owned as to 73%, 21%, 5% and 1% by Mr. GE Hekai, Mr. GE Yiyang, Ms. JIN Linyin and Mr. GE Heming, respectively

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Mandate”	a general mandate proposed to be granted to the Directors as set out in item 6 of the notice of the AGM
“Latest Practicable Date”	22 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“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
“Retiring Director(s)”	Mr. GE Yiyang, Mr. LENG Junfeng, Mr. SUN Bing and Mr. FOK Ho Yin, Thomas
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shade (BVI)”	Shade (BVI) Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, a controlling shareholder of the Company which is directly wholly-owned by Ms. JIN Linyin
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of HK\$0.001 each
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors as set out in item 6 of the notice of the AGM
“Shareholder(s)”	holder(s) of Share(s)
“Sound Limited”	Sound Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, a controlling shareholder of the Company which is directly wholly-owned by Mr. GE Heming

DEFINITIONS

“Splendid Sun”	Splendid Sun Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, a controlling shareholder of the Company which is directly wholly-owned by Mr. GE Hekai
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers
“%”	per cent

LETTER FROM THE BOARD



DaFa Properties Group Limited 大发地产集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6111)

Executive Directors:

Mr. GE Yiyang (*Chairman*)
Mr. LENG Junfeng (*Chief Executive Officer*)
Mr. CHI Jingyong
Mr. YANG Yongwu

Independent Non-executive Directors:

Mr. GU Jiong
Mr. SUN Bing
Mr. FOK Ho Yin Thomas

Registered Office:

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

*Headquarters and Principal Place of
Business in the PRC:*

No. 2, Lane 1188
Shenhong Road
Minhang District
Shanghai
the PRC

Principal Place of Business in Hong Kong:

Rooms 2805-06, 28th Floor
Bank of America Tower
12 Harcourt Road
Central
Hong Kong

29 April 2022

To the Shareholders

Dear Sir/Madam,

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

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information of the resolutions to be proposed, and if thought fit, to be approved at the AGM in respect of:

- (i) the re-election of the Retiring Directors; and
- (ii) the granting of the Share Repurchase Mandate and the Issuance Mandate to the Directors.

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2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

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 retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

Pursuant to Article 112 of the Articles of Association, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under Article 112 of the Articles of Association shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

In accordance with Article 108(a) and Article 112 of the Articles of Association, Mr. GE Yiyang, Mr. LENG Junfeng, Mr. SUN Bing and Mr. FOK Ho Yin, Thomas shall retire from their offices as Directors at the AGM. Mr. GE Yiyang, Mr. LENG Junfeng, Mr. SUN Bing and Mr. FOK Ho Yin, Thomas being eligible, will offer themselves for re-election at the AGM. The details of the Retiring Directors are set out in Appendix I to this circular.

The Nomination Committee has recommended to the Board for the re-election of Directors including two independent non-executive Directors, Mr. SUN Bing and Mr. FOK Ho Yin, Thomas, in accordance with the following selection criteria:

1. character and integrity;
2. qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
3. willingness to devote sufficient time to discharge duties as members of the Board and its relevant committees and undertake significant commitments;
4. the number of existing directorships and other commitments that may demand their attention;
5. requirement for the Board to have independent non-executive Directors in accordance with the Listing Rules and whether such director would be considered independent with reference to the independence guidelines set out in the Listing Rules;
6. board diversity policy of the Company and any measurable objectives adopted by the Board for achieving diversity on the Board; and
7. their perspectives provided to the management and operation of the Group as well as other contributions to the Group during the tenure of their directorship.

Pursuant to the Rule 3.13 of the Listing Rules, the Nomination Committee has assessed the independence of the retiring independent non-executive Directors, Mr. SUN Bing and Mr. FOK Ho Yin, Thomas, based on reviewing their annual written confirmations of independence to the Company and considered that Mr. SUN Bing and Mr. FOK Ho Yin, Thomas remain independent.

LETTER FROM THE BOARD

In addition, the Nomination Committee has considered Mr. SUN Bing and Mr. FOK Ho Yin, Thomas have extensive experience in financial accounting and other experience and factors as set out in Appendix I to this circular. The Nomination Committee is satisfied that at all times during the period of their directorships with the Company since 2018, Mr. SUN Bing and Mr. FOK Ho Yin, Thomas have properly discharged their duties and responsibilities as independent non-executive Directors and have made positive contributions to the development of the Company through independent, constructive and informed comments and participation in the business and other affairs relating to the Group. Mr. SUN Bing and Mr. FOK Ho Yin, Thomas have provided valuable contributions and insights to the Board and have demonstrated their abilities to provide independent, balanced and impartial views to the Company's affairs. Mr. SUN Bing and Mr. FOK Ho Yin, Thomas have the required character, integrity and experience to continuously fulfill their roles as independent non-executive Directors effectively. The Board believes that their re-elections as independent non-executive Directors would be in the best interests of the Company and the Shareholders as a whole.

In view of the above, with the recommendation of the Nomination Committee, the Board has proposed that the above-mentioned Retiring Directors, namely Mr. GE Yiyang, Mr. LENG Junfeng, Mr. SUN Bing and Mr. FOK Ho Yin, Thomas, stand for re-election as Directors at the AGM.

Further information about the Board's composition and diversity as well as the attendance record at the meetings of the Board and/or its committees and the general meeting of the Directors (including the Retiring Directors) are disclosed in the corporate governance report of the 2021 annual report of the Company.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES AND TO ISSUE SHARES

Pursuant to the ordinary resolutions passed by the Shareholders at the annual general meeting of the Company held on 2 June 2021, the Directors were granted (i) a general mandate to repurchase Shares with an aggregate number of not more than 10% of the aggregate number of the Shares in issue as at the date of passing of such resolution, and (ii) a general mandate to issue and deal with Shares, convertible securities or options and warrants with an aggregate number of Shares or the underlying Shares of not more than 20% of the number of Shares in issue as at the date of passing of such resolution, and such general mandate was extended by addition of the aggregate number of the Shares repurchased by the Company.

Such mandates will lapse at the conclusion of the AGM. In order to give the Company the flexibility to repurchase Shares and issue Shares if and when appropriate, ordinary resolutions will be proposed at the AGM to approve:

- (i) the granting of the Share Repurchase Mandate to the Directors to exercise all the powers of the Company to repurchase Shares with an aggregate number of not more than 10% of the aggregate number of the Shares in issue as at the date of passing of such ordinary resolution (i.e. 82,353,700 Shares, on the basis that the total number of issued Shares will remain unchanged on the date of the AGM);

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- (ii) the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of such ordinary resolution (i.e. 164,707,400 Shares on the basis that the total number of issued Shares will remain unchanged on the date of the AGM); and
- (iii) the extension of the Issuance Mandate by adding the total number of Shares repurchased by the Company since the granting of the Share Repurchase Mandate.

Each of the Issuance Mandate and the Share Repurchase Mandate will remain in effect until the earliest of the following:

- (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 to be held under any applicable laws or the Articles of Association; or
- (iii) it is varied or revoked by an ordinary resolution of the Shareholders at a general meeting.

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

An explanatory statement required by the Listing Rules to provide the Shareholders with the information reasonably necessary to enable such Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

4. CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 14 June 2022 to Friday, 17 June 2022, both days inclusive, during which no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged for registration with Computershare at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 13 June 2022.

5. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 16 to 19 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules and Article 72 of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

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A form of proxy for use at the AGM is sent to the Shareholders together with this circular. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.dafaland.com). Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to Computershare, the branch share registrar of the Company in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the 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 AGM if you so desire.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting at the AGM.

6. RECOMMENDATION

The Directors consider that (i) the proposed re-election of the Retiring Directors; and (ii) the proposed granting of the Share Repurchase Mandate and Issuance Mandate to the Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

7. ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
DaFa Properties Group Limited
GE Yiyang
Chairman

The following are the details of the Directors who will retire, and being eligible, offer themselves for re-election at the AGM:

EXECUTIVE DIRECTORS

Mr. GE Yiyang (葛一陽) (“Mr. Ge”), aged 38, has been an executive Director on 23 March 2018. Mr. Ge is responsible for the overall strategic planning of the Group. He has over 15 years of experience in the PRC real estate industry. In addition, Mr. Ge currently holds directorship in some subsidiaries of the Group.

Mr. Ge obtained his bachelor’s degree in business administration and computer science from Aston University in the U.K. in July 2006. He also obtained an executive master business administration degree from Cheung Kong Graduate School of Business (長江商學院) in Beijing, the PRC in September 2013. Mr. Ge also enrolled in the DBA program (企業家學者項目) offered by Cheung Kong Graduate School of Business in October 2016.

Mr. Ge has entered into a service contract with the Company for a specific term of three years and shall be subject to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than 30 days’ prior notice in writing. Under the service contract, Mr. Ge is entitled to a director’s remuneration of RMB754,965 per annum and discretionary bonus as determined by the Board with reference to the Company’s performance, the prevailing market conditions and the individual Director’s overall performance after the completion of each service year.

Mr. LENG Junfeng (冷俊峰) (“Mr. Leng”), aged 49, has been an executive Director and was appointed as the chief executive officer since 31 January 2022. He is responsible for the daily operation and management of the Group. Mr. Leng is in charge of the investment development centre, product and operation centre and marketing management centre of the Group. He also takes charge of the cost and procurement centre of the Group.

Mr. Leng joined the Group in March 2018 and was appointed as the chief operating officer and senior vice president of the Group on 1 March 2020. Mr. Leng was appointed as the chairman of the board of directors of our regional company in Shanghai area on 1 March 2021.

Prior to joining the Group, Mr. Leng served as general manager of the planning operations department/marketing department of Tahoe Group Co., Ltd* (泰禾集團股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 000732) from February 2017 to February 2018, where he was responsible for operations management and marketing management of the group.

Mr. Leng served as the vice president of Northern China of Shimao Group Holdings Limited (世茂集團控股有限公司) (a company listed on the Stock Exchange, stock code: 813) from February 2015 to January 2017; as general manager of an engineering company in Shenyang under China Overseas Land& Investment Limited (中國海外發展有限公司) (a company listed on the Stock Exchange, stock code: 688) from October 2013 to February 2015; and as general manager of Wuhan Branch of China State Construction Land Co. Ltd. (中國中建地產有限公司) from January 2011 to October 2013. He has accumulated more than 20 years of experience in corporate management.

Mr. Leng holds a bachelor's degree in heating and ventilating discipline from Jilin Jianzhu University and a master's degree in management from Conservatoire national des arts et métiers (法國國立科學技術與管理學院). Mr. Leng is a member of the Chartered Institute of Building.

Mr. Leng has entered into a service contract with the Company for a specific term of three years and shall be subject to re-election as and when required under the Articles of Association, until terminated in accordance with the terms and conditions of the service contract or by either party giving to the other not less than 30 days' prior notice in writing. Under the service contract, Mr. Leng is entitled to a director's remuneration of RMB200,000 per annum and discretionary bonus as determined by the Board with reference to the Company's performance, the prevailing market conditions and the individual Director's overall performance after the completion of each service year.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. SUN Bing (孫冰) (“Mr. Sun”), aged 47, was appointed as the independent non-executive Director on 10 September 2018 and is primarily responsible for providing independent advice on the operations and management of the Group. Mr. Sun has over 20 years of experience in auditing matters. From September 2000 to July 2020, Mr. Sun served as the partner of BDO China SHU LUN PAN Certified Public Accountant LLP (立信會計師事務所(特殊普通合夥)), and had been primarily responsible for coordinating and organizing the implementation of corporate audit matters and audit reports. Since March 2017, Mr. Sun has been an independent director of Shanghai Jingwei (Group) Co., Ltd. (上海經緯(集團)有限公司), a company primarily engaged in asset management, investment management and corporate consulting services, where he was responsible for providing independent advice to this company. Since July 2020, Mr. Sun has been the partner of Shanghai Rightway Capital LLP (上海正為私募基金管理中心(有限合夥)).

Mr. Sun obtained a bachelor's degree from the University of Shanghai for Science and Technology (上海理工大學) in Shanghai, the PRC with a major in accounting and a minor in computer application in July 1997. He also obtained a master's degree of professional accountancy from The Chinese University of Hong Kong in Hong Kong in December 2011. Mr. Sun registered as a certified public accountant with the Shanghai Institute of Certified Public Accountants (上海市註冊會計師協會) in December 1999.

Mr. Sun has entered into a letter of appointment with the Company for a term of three years and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association. Under the letter of appointment, Mr. Sun is entitled to a director's remuneration of RMB180,000 per annum.

Mr. FOK Ho Yin Thomas (霍浩然) (“**Mr. Fok**”), aged 50, was appointed as the independent non-executive Director on 10 September 2018 and is primarily responsible for providing independent advice on the operations and management of the Group. Mr. Fok has worked in the listing division of the Stock Exchange and has extensive experience in the field of corporate finance specializing in equity financing and financial restructuring. From September 2007 to July 2016, Mr. Fok was an executive director of Jian ePayment Systems Limited (the shares of which were listed on the Stock Exchange, stock code: 8165). From June 2010 to June 2019, Mr. Fok was an independent non-executive director of Landing International Development Limited (the shares of which were listed on the Stock Exchange, stock code: 582). From August 2007 to June 2020, Mr. Fok was an independent non-executive director of China Smarter Energy Group Holdings Limited (the shares of which are listed on the main board of the Stock Exchange, stock code: 1004). Currently, Mr. Fok is an independent non-executive director of SFund International Holdings Limited (the shares of which are listed on the main board of the Stock Exchange, stock code: 1367).

Mr. Fok is also a member of the Hong Kong Institute of Certified Public Accountants and CPA Australia, and is also a Chartered Financial Analyst.

Mr. Fok has entered into a letter of appointment with the Company for a term of three years and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association. Under the letter of appointment, Mr. Fok is entitled to a director’s remuneration of RMB180,000 per annum.

Save as disclosed above, as at the Latest Practicable Date, each of the Retiring Directors (i) held no other directorships in any listed public companies in the last three years; (ii) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders; and (iii) did not have any other interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, there was no other information relating to each of the Retiring Directors that was required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and no other matter in relation to their proposed re-election that needs to be brought to the attention of the Shareholders.

The following is an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with information reasonably necessary to enable such Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued Shares is 823,537,000.

Subject to the passing of the ordinary resolution in respect of the granting of the Share Repurchase Mandate and on the basis that the total number of issued Shares will remain unchanged on the date of the AGM, being 823,537,000 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, up to 82,353,700 Shares, representing approximately 10% of the total number of issued Shares as at the date of the AGM.

2. REASONS FOR SHARE REPURCHASE

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

3. FUNDING OF SHARE REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

Any payment for the repurchase of Shares will be drawn from the profits or share premium of the Company or from the proceeds of a fresh issue of shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Cayman Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles of Association and subject to the Cayman Companies Law, out of capital.

4. IMPACT OF SHARE REPURCHASE

The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, under the circumstances, have a material adverse effect in the opinion of the Directors on the working capital requirements of the Company or its gearing levels. However, there might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2021 in the event that the Share Repurchase Mandate is exercised in full.

5. SHARES REPURCHASES MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, a total of 4,343,000 Shares were repurchased by the Company on the Stock Exchange at prices ranging from HK\$3.75 to HK\$4.37, the details of which are set out as follows:

Date	Numbers of Shares Repurchased	Price per Share	
		Highest HK\$	Lowest HK\$
17 December 2021	135,000	4.12	4.12
20 December 2021	400,000	4.11	4.11
21 December 2021	440,000	4.11	4.11
22 December 2021	593,000	4.11	4.11
23 December 2021	385,000	4.20	4.19
30 December 2021	340,000	4.35	4.34
11 January 2022	620,000	4.19	3.75
19 January 2022	740,000	4.37	4.35
20 January 2022	690,000	4.35	4.34
	4,343,000		

The above Shares were subsequently cancelled. Save as disclosed above, the Company did not repurchase any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

6. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during the period from the previous twelve months up to and including the Latest Practicable Date were as follows:

Month	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2021		
April	6.65	6.11
May	6.73	5.74
June	6.58	5.96
July	6.26	5.68
August	6.75	5.98
September	6.85	4.94
October	5.14	4.94
November	5.07	4.35
December	4.64	4.10
2022		
January	4.60	3.48
February	4.62	3.59
March	4.20	2.80
April (<i>up to the Latest Practicable Date</i>)	4.34	3.45

7. GENERAL

To the best of the knowledge of the Directors having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention, in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company, in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

8. TAKEOVERS CODE

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

As at the Latest Practicable Date, the Controlling Shareholders, by virtue of the deed of act-in-concert dated 16 April 2018 and entered into amongst Mr. GE Hekai, Mr. GE Yiyang, Mr. GE Heming and Ms. JIN Linyin, were entitled, in aggregate, to exercise voting rights of approximately 72.86% of the total issued share capital of the Company. If the Share Repurchase Mandate is fully exercised, then, the total number of Shares which will be repurchased pursuant to the Share Repurchase Mandate shall be 82,353,700 Shares (being 10% of the issued share capital of the Company based on the aforesaid assumptions). The percentage shareholding of the Controlling Shareholders, in aggregate, will increase from approximately 72.86% to approximately 80.95% of the issued share capital of the Company immediately following the full exercise of the Share Repurchase Mandate.

To the best knowledge and belief of the Directors, the Directors are not aware of any Shareholder or group of Shareholders acting in concert who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a consequence of any repurchases pursuant to the Share Repurchase Mandate.

If the Share Repurchase Mandate is fully exercised, the percentage of Shares held by the public would fall below the minimum prescribed level of 25% under the Listing Rules. However, the Directors have no present intention to exercise the Share Repurchase Mandate to such an extent that, under the circumstances, there would be insufficient public float as prescribed under the Listing Rules.

NOTICE OF THE ANNUAL GENERAL MEETING



DaFa Properties Group Limited 大发地产集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6111)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**AGM**”) of DaFa Properties Group Limited (the “**Company**”) will be held at Rooms 2805–06, 28th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 17 June 2022 at 2:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 December 2021.
2.
 - (a) To re-elect Mr. GE Yiyang as an executive director of the Company;
 - (b) To re-elect Mr. LENG Junfeng as an executive director of the Company;
 - (c) To re-elect Mr. SUN Bing as an independent non-executive director of the Company;
and
 - (d) To re-elect Mr. FOK Ho Yin Thomas as an independent non-executive director of the Company.
3. To authorize the board of directors of the Company (the “**Board**”) to fix the remuneration of all directors of the Company (the “**Directors**”).
4. To re-appoint Ernst & Young as the auditor of the Company, to hold office until the conclusion of the next annual general meeting of the Company, and to authorize the Board to fix their remuneration.
5. “**THAT:**
 - (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

NOTICE OF THE ANNUAL GENERAL MEETING

(b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of subdivision and consolidation of the shares of the Company) and the said mandate shall be limited accordingly; and

(c) for the purposes of this resolution:

“**Relevant Period**” means the period from 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; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

6. **“THAT:**

(a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the Directors during the Relevant Period (as defined below) to allot, issue and deal with additional shares of the Company, or securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for any shares of the Company, and to make or grant offers, agreements and options which might require the exercise of such powers;

(b) the mandate in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

(i) a Rights Issue (as defined below);

(ii) the exercise of options under a share option scheme of the Company;

(iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; and

NOTICE OF THE ANNUAL GENERAL MEETING

- (iv) the exercise of rights of subscription or conversion under the term of any securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for any shares of the Company;

shall not exceed 20% of the total number of issued shares of the Company on the date of passing of this resolution (subject to adjustment in the case of subdivision and consolidation of the shares of the Company) and the said mandate shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from 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; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

- 7. “**THAT** conditional upon the passing of resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the total number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the total number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of subdivision and consolidation of the shares of the Company).”

By Order of the Board
DaFa Properties Group Limited
GE Yiyang
Chairman

Hong Kong, 29 April 2022

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her to attend and vote on his/her behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited (“**Computershare**”) at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the AGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. Where there are joint holders of any share, any one of such joint holders may vote at the AGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the AGM personally or by proxy, then the one of such joint holders so present whose name stands first on the register of members of the Company shall, in respect of such share, be entitled alone to vote in respect thereof.
5. The resolutions at the AGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.dafaland.com) in accordance with the Listing Rules.
6. For the purpose of ascertaining the shareholders’ entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 14 June 2022 to Friday, 17 June 2022, both days inclusive, during which no transfer of the shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged for registration with Computershare at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 13 June 2022.
7. In order to facilitate the prevention and control of the epidemic and to safeguard the health and safety of shareholders, the Company encourages that shareholders to consider appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM, instead of attending the AGM in person.

As at the date of this notice, the Board comprises Mr. GE Yiyang, Mr. LENG Junfeng, Mr. CHI Jingyong and Mr. YANG Yongwu as the executive Directors, and Mr. GU Jiong, Mr. SUN Bing and Mr. FOK Ho Yin Thomas as the independent non-executive Directors.