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

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

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CHINA SILVER TECHNOLOGY HOLDINGS LIMITED 中華銀科技控股有限公司

(formerly known as TC Orient Lighting Holdings Limited 達進東方照明控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 515)

PROPOSED CAPITAL REORGANISATION; AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the EGM to be held on Friday, 30 September 2022 at 11:00 a.m. at Unit E, 30/F., Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use by the Shareholders at the EGM is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk.

Whether or not you intend to attend the EGM, you are advised to read the notice and complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any adjourned meeting thereof if you so wish and, in such event, the relevant form of proxy shall be deemed to be revoked.

Special arrangements relating to COVID-19:

In view of the novel Coronavirus (COVID-19) epidemic, precautionary measures will be taken at the EGM to reduce the health risk of the attendees, which may include compulsory temperature checks and compulsory wearing of surgical face masks at the venue. Any person who does not comply with the precautionary measures or is subject to health quarantine requirement may be denied entry into the EGM venue. In addition, seating will be arranged to better achieve social distancing and no refreshments or souvenirs will be provided inside the EGM venue. Shareholders should carefully consider the risks of attending the EGM, taking into consideration their own circumstances. The Company wishes to remind the Shareholders that attendance in person at the EGM is not necessary for the exercise of voting rights, as Shareholders may submit proxy forms and appoint the chairman of the EGM as their proxy to vote on the relevant resolution at the EGM. Shareholders are recommended to read the instructions contained in the notice of the EGM carefully. Depending on the development of situation, additional precautionary measures may be implemented as may be appropriate. Shareholders are reminded to read the announcements made by the Company nearer the time of the EGM.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
EXPECTED TIMETABLE	4
LETTER FROM THE BOARD	5
NOTICE OF EXTRAORDINARY GENERAL MEETING	EGM-1

DEFINITIONS

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

“Accumulated Losses”	the accumulated losses of the Company
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or on which a “black” rainstorm warning is hoisted or “extreme conditions” caused by super typhoons as announced by the Government of Hong Kong in force in Hong Kong between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Capital Reduction”	the proposed reduction of the issued share capital of the Company by cancelling the paid-up capital to the extent of HK\$0.499 on each of the issued Existing Shares such that the par value of each issued Share will be reduced from HK\$0.50 to HK\$0.001
“Capital Reorganisation”	the proposed capital reorganisation of the issued share capital of the Company as detailed in this circular, involving, <i>inter alia</i> , the Capital Reduction, the Share Premium Reduction and the Share Sub-division
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“circular”	this circular
“Companies Act”	the Companies Act (As Revised) of the Cayman Islands, as consolidated and revised
“Company”	China Silver Technology Holdings Limited (formerly known as TC Orient Lighting Holdings Limited), a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange with stock code 515
“Court”	the Grand Court of the Cayman Islands
“Director(s)”	the director(s) of the Company

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company convened by the notice of EGM, as contained on pages EGM-1 to EGM-4 of this circular, to be held for the Shareholders to consider and, if thought fit, approve, the Capital Reorganisation
“Effective Date”	the date on which the Capital Reorganisation becomes effective
“Existing Share(s)”	ordinary share(s) with par value of HK\$0.50 each in the existing share capital of the Company prior to the Capital Reorganisation becoming effective
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	1 September 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles”	the memorandum and articles of association of the Company
“New Share(s)”	ordinary share(s) with par value of HK\$0.001 each in the share capital of the Company immediately after the Capital Reorganisation becoming effective
“Share Premium Account”	the share premium account of the Company
“Share Premium Reduction”	the proposed reduction of the amount standing to the credit of the Share Premium Account
“Share Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited, whose registered office is at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong

DEFINITIONS

“Share Sub-division”	the proposed sub-division of each of the authorised but unissued Existing Shares with par value of HK\$0.50 each into 500 unissued New Shares with par value of HK\$0.001 each
“Share(s)”	the Existing Share(s) and/or the New Share(s), as the case may be
“Shareholder(s)”	holder(s) of the Existing Share(s) and/or the New Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

EXPECTED TIMETABLE

The expected timetable for implementation of the Capital Reorganisation is set out below. The expected timetable is subject to the results of the EGM and satisfaction of the conditions to the Capital Reorganisation and is therefore for indicative purpose only. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

Event	Date and time
Date of dispatch of the circular with notice of the EGM and proxy form	Monday, 5 September 2022
Latest time for lodging share transfers to qualify for attending and voting at the EGM	4:00 p.m. on Monday, 26 September 2022
Closure of register of members for determining the entitlement to attend and vote at the EGM (both days inclusive)	Tuesday, 27 September 2022 to Friday, 30 September 2022
Latest time for lodging proxy forms for the EGM	11:00 a.m. on Wednesday, 28 September 2022
Date and time of the EGM	11:00 a.m. on Friday, 30 September 2022
Announcement of poll results of the EGM	Friday, 30 September 2022
The following events are conditional on the results of the EGM and the approval of the Court and therefore the dates are tentative only:	
Expected effective date of the Capital Reorganisation	Before 9:00 a.m. on Friday, 16 December 2022
Commencement of dealings in the New Shares	9:00 a.m. on Friday, 16 December 2022
First day of free exchange of existing share certificates for new share certificates for the New Shares	Friday, 16 December 2022
Last day for free exchange of existing share certificates for new share certificates for the New Shares	Friday, 20 January 2023

All times and dates specified in the timetable above refer to Hong Kong times and dates.

LETTER FROM THE BOARD



CHINA SILVER TECHNOLOGY HOLDINGS LIMITED
中華銀科技控股有限公司

(formerly known as TC Orient Lighting Holdings Limited 達進東方照明控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 515)

Executive Directors:

Mr. Kong Chan Fai (*Vice-Chairman*)
Mr. Xu Ming (*Chief Executive Officer*)
Mr. Zeng Yongguang
Mr. Guo Jun Hao
Ms. Liang Jiaxin

Registered office:

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

Non-executive Directors:

Mr. Lai Yubin (*Chairman*)
Mr. Wei Xiaomin

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

Unit E, 30/F
Tower B, Billion Centre
1 Wang Kwong Road
Kowloon Bay, Kowloon
Hong Kong

Independent non-executive Directors:

Mr. Wong Kwok On
Mr. Bonathan Wai Ka Cheung
Dr. Loke Yu (alias Loke Hoi Lam)
Ms. Qiu Yumei

5 September 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSED CAPITAL REORGANISATION;
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 3 August 2022 in relation to the Capital Reorganisation.

The purpose of this circular is to provide you with details of the Capital Reorganisation and the notice of the EGM.

LETTER FROM THE BOARD

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation, which comprises:

- (a) The Capital Reduction, involving the reduction of the issued share capital of the Company by cancelling the paid-up capital to the extent of HK\$0.499 on each of the issued Existing Shares such that the par value of each issued Existing Share will be reduced from HK\$0.50 to HK\$0.001;
- (b) The Share Premium Reduction, involving the reduction of the entire amount standing to the credit of the Share Premium Account, simultaneously with the Capital Reduction becoming effective;
- (c) The Share Sub-division, involving the sub-division of each of the authorised but unissued Existing Shares with par value of HK\$0.50 each into 500 unissued New Shares with par value of HK\$0.001 each, immediately after the Capital Reduction becoming effective; and
- (d) the credits arising in the books of the Company from the Capital Reduction and the Share Premium Reduction be applied towards offsetting the Accumulated Losses as at the Effective Date and the balance of any such credit remaining after offsetting the Accumulated Losses be transferred to a distributable reserve account of the Company which may be applied by the Company in any manner as permitted under the applicable laws and the Memorandum and Articles.

LETTER FROM THE BOARD

Effects of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$1,200,000,000 divided into 2,400,000,000 Shares of HK\$0.50 each, of which 669,415,394 Shares have been issued and are fully paid or credited as fully paid. Assuming that there is no other change in the share capital of the Company from the Latest Practicable Date up to and including the Effective Date, the effect of the Capital Reduction on the share capital structure of the Company will be as follows:

	As at the Latest Practicable Date	Immediately after the Capital Reduction becoming effective
Amount of authorised share capital	HK\$1,200,000,000	HK\$1,200,000,000
Par value	HK\$0.50 per Existing Share	HK\$0.001 per New Share
Number of authorised shares	2,400,000,000 Existing Shares	1,200,000,000,000 New Shares
Amount of issued share capital	HK\$334,707,697	HK\$669,415.394
Number of issued shares	669,415,394 Existing Shares	669,415,394 New Shares

The Capital Reduction on the 669,415,394 issued Existing Shares is expected to result in a reduction of the issued share capital of the Company by HK\$334,038,281.606.

As part of the group reorganisation in preparation of the Company's listing in 2006, the Company issued Shares to its founding shareholder (the "**Consideration Shares**") in exchange for the founding shareholder's equity interests in the Group's principal subsidiaries, namely, Tat Chun Printed Circuit Board Company Limited and Tat Chun PCB International Company Limited (formerly known as Pacific Leader Development Company Limited) (collectively, the "**Relevant Subsidiaries**"). The Directors are of the view that the difference between the underlying net assets of the Relevant Subsidiaries and the nominal amount of the Consideration Shares, previously represented by a contributed surplus account of the Company carrying the balance in the amount of HK\$145,058,000 as at 31 December 2021, is profits and distributable in nature, and that the Company will be able to pay its debts as they fall due in the ordinary course of business. Accordingly, the Directors have resolved to apply the said contributed surplus account of the Company to offset the Accumulated Losses.

LETTER FROM THE BOARD

As at 31 December 2021, the Share Premium Account and the Accumulated Losses amounted to HK\$567,711,000 and HK\$1,003,509,000, respectively. Following the offsetting of the amount of HK\$145,058,000 standing to the credit of the contributed surplus account with the Accumulated Losses as explained above, and subject to the offsetting of the credits arising from the Capital Reduction and the Share Premium Reduction with the Accumulated Losses as at the Effective Date, it is expected the Company should have distributable reserves available to it after the Capital Reorganisation becoming effective. Shareholders and potential investors should note that the actual effects of the Capital Reorganisation will be subject to changes, including those resulted from the changes of share capital and other things affecting the equity of the Company before the Effective Date.

Other than the expenses to be incurred which are expected to be insignificant as compared to the amounts of reductions and offsetting in the Capital Reorganisation, the implementation of the Capital Reorganisation will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the Shareholders.

As at the Latest Practicable Date, there are outstanding share options (the “**Share Options**”) entitling the holders thereof to subscribe for 4,558,930 Existing Shares under the share option scheme of the Company which was adopted on 5 June 2006 and expired on 4 June 2016 (the “**Old Share Option Scheme**”). Under the terms and conditions of the Old Share Option Scheme, the Capital Reorganisation will not lead to any adjustments to the exercise price and the number of underlying Shares issuable upon the exercise of the outstanding Share Options. Save as disclosed above, as at the Latest Practicable Date, the Company has no other outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into Shares.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional on:

- (1) the passing of a special resolution by the Shareholders approving the Capital Reorganisation at the EGM;
- (2) the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation;
- (3) the approval of the Capital Reduction by the Court;
- (4) the compliance with any conditions which the Court may impose in relation to the Capital Reduction;

LETTER FROM THE BOARD

- (5) the registration by the Registrar of Companies in the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction;
- (6) the compliance with the relevant procedures and requirements under the laws of the Cayman Islands and the Listing Rules to effect the Capital Reorganisation; and
- (7) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

The Capital Reorganisation will become effective when the conditions above have been fulfilled. None of the conditions above can be waived by the Company. As at the Latest Practicable Date, none of the above conditions have been fulfilled.

Subject to the passing of the special resolution by the Shareholders, the legal advisors to the Company (as to Cayman Islands law) will apply to the Court for hearing date(s) to confirm the Capital Reduction. Further announcement(s) will be made by the Company as soon as practicable after the Court hearing date(s) is confirmed.

Listing and dealing of the New Shares

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the New Shares.

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

None of the share capital or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange. At the time the Capital Reorganisation becomes effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

LETTER FROM THE BOARD

REASONS FOR THE CAPITAL REORGANISATION

The Company is not permitted, without order of the Court, to issue new Shares below their par value. Since the Shares have been trading below par value for a long time whether before or after the five-to-one share consolidation which took effect on 24 May 2022, the Board considers that the Capital Reorganisation will keep the par value of the New Shares at a low level of HK\$0.001 per New Share, thereby giving greater flexibility to the Company in the pricing for any issue of new Shares in the future.

The credits arising from the Capital Reduction and the Share Premium Reduction will be applied towards offsetting the Accumulated Losses as at the Effective Date. Under the Companies Act, the share premium account is distributable to the Shareholders provided that immediately following the date on which any dividend is proposed to be distributed, the Company will be able to pay its debts as they fall due in the ordinary course of business. Pursuant to the Memorandum and Articles: (a) dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed; and (b) with the sanction of an ordinary resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Companies Act. It is expected that after the Capital Reorganisation becomes effective, the Company should have distributable reserves available to it. The Board therefore considers that the Capital Reorganisation will give greater flexibility to the Company to declare dividends and/or to undertake any corporate exercise which requires the use of distributable reserves in the future.

In view of the above, the Board considers that the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole. Shareholders and potential investors should note that at this stage, there is no assurance that the Company will declare any dividends in the future, even if the Capital Reorganisation takes effect. Given that the Company has been loss-making for many years, the Company has no present plan to declare dividends until and unless the financial and cash positions are substantially improved. Due to the loss-making and net current liabilities position of the Company, the Company is constantly engaged in negotiations to explore the possibility of further equity fund raising to satisfy its funding needs, but no binding agreement has been reached. Further announcement(s) will be made by the Company if any equity fund raising opportunities materialize as a result of which any disclosure obligation arises on the part of the Company.

As at the Latest Practicable Date, the Company has no plan or intention to carry out any future corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation.

LETTER FROM THE BOARD

OTHER ARRANGEMENTS

Free exchange of share certificates

As the Court hearing date(s) has yet to be fixed, the Effective Date of the Capital Reorganisation is not ascertainable at present. Subject to the Capital Reorganisation becoming effective, Shareholders may submit the existing certificates for the Existing Shares to the Share Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, to exchange, at the expense of the Company, for certificates of the New Shares within a certain period of free exchange after the Effective Date. Further announcement(s) will be made by the Company as to the detailed arrangement of such free exchange of share certificates, when the Court hearing date(s) and the Effective Date can be ascertained.

All existing certificates of the Shares will continue to be evidence of title to such Shares and be valid for delivery, trading and settlement purposes.

Ranking of the New Shares

Each of the New Shares arising from the Capital Reorganisation shall rank *pari passu* in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the Memorandum and Articles.

No change in the size of board lot

Upon the Capital Reorganisation becoming effective, the size of each board lot of the New Shares will remain the same as that of the Existing Shares, being 10,000 New Shares per board lot.

EGM

The EGM will be held at Unit E, 30/F., Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong on Friday, 30 September 2022 at 11:00 a.m. for the purpose of considering and, if thought fit, to approve the resolution regarding the Capital Reorganisation. To ascertain shareholders' eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 27 September 2022 to Friday, 30 September 2022, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Share Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Monday, 26 September 2022. A form of proxy for use at the EGM is enclosed. Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Share Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the EGM (i.e. by 11:00 a.m. on Wednesday, 28 September 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and, in such event, the relevant form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolution approving the Capital Reorganisation at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the general meetings 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. Therefore the chairman of the meeting will demand a poll on the resolution regarding the Capital Reorganisation at the EGM. An announcement will be made by the Company on the poll results of the EGM.

SPECIAL ARRANGEMENTS RELATING TO COVID-19

The Company wishes to remind the Shareholders that attendance in person at the EGM is not necessary for the exercise of voting rights, as Shareholders may submit proxy forms and appoint the chairman of the EGM as their proxy to vote on the relevant resolution at the EGM. Shareholders are recommended to read the instructions contained in the notice of the EGM carefully.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Board considers that the proposed resolution in relation to the Capital Reorganisation to be put forward at the EGM is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the resolution to be proposed at the EGM in relation to the Capital Reorganisation.

LETTER FROM THE BOARD

WARNING

Shareholders should take note that the Capital Reorganisation is conditional upon satisfaction of the relevant conditions. Therefore, the Capital Reorganisation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Yours faithfully,

By order of the Board

China Silver Technology Holdings Limited

Lai Yubin

Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING



CHINA SILVER TECHNOLOGY HOLDINGS LIMITED 中華銀科技控股有限公司

(formerly known as TC Orient Lighting Holdings Limited 達進東方照明控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 515)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of China Silver Technology Holdings Limited (the “**Company**”) will be held at Unit E, 30/F., Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong on Friday, 30 September at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution as a special resolution:

SPECIAL RESOLUTION

1. “**THAT**, subject to and conditional upon (i) The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reorganisation as described in paragraph (a) of this resolution; (ii) the approval of the Capital Reduction (as defined below) by the Grand Court of the Cayman Islands (the “**Court**”); (iii) the compliance with any conditions which the Court may impose in relation to the Capital Reduction; (iv) the registration by the Registrar of Companies in the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Act (As Revised) of the Cayman Islands, as consolidated and revised, with respect to the Capital Reduction; (v) the compliance with the relevant procedures and requirements under the laws of the Cayman Islands and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) to effect the Capital Reorganisation; and (vi) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation:
 - (a) with effect from the date (the “**Effective Date**”) on which all of the above conditions are fulfilled:

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (i) the issued and paid-up share capital of the Company be reduced (the “**Capital Reduction**”) by reducing the par value of each existing ordinary share with a par value of HK\$0.50 of the Company (an “**Existing Share**”) in issue on the Effective Date from HK\$0.50 each to HK\$0.001 each by cancelling the paid-up share capital to the extent of HK\$0.499 on each Existing Share in issue on the Effective Date so that following the Capital Reduction each such issued Existing Share with a par value of HK\$0.50 shall be treated as one ordinary share with a par value of HK\$0.001 (a “**New Share**”) fully paid-up in the share capital of the Company and any liability of the holders of such shares to make any further contribution to the capital of the Company on each such share shall be treated as satisfied and that the amount of issued share capital thereby cancelled be made available for issue of new shares of the Company;
- (ii) the entire amount standing to the credit of the share premium account of the Company be reduced (the “**Share Premium Reduction**”), simultaneously with the Capital Reduction becoming effective;
- (iii) immediately following the Capital Reduction becoming effective, each of the then authorised but unissued Existing Shares with a par value of HK\$0.50 be subdivided into 500 unissued New Shares with a par value of HK\$0.001 each in the share capital of the Company (the “**Share Sub-division**”, together with the Capital Reduction and the Share Premium Reduction, the “**Capital Reorganisation**”) such that the current authorised share capital of the Company of HK\$1,200,000,000 divided into 2,400,000,000 Existing Shares of par value HK\$0.50 each shall become HK\$1,200,000,000 divided into 1,200,000,000 New Shares of par value HK\$0.001 each following the Capital Reduction and Share Sub-division becoming effective;
- (iv) the credits arising in the books of the Company from the Capital Reduction and the Share Premium Reduction be applied towards offsetting the accumulated losses of the Company (the “**Accumulated Losses**”) as at the Effective Date and the balance of any such credit remaining after offsetting the Accumulated Losses be transferred to a distributable reserve account of the Company which may be applied by the Company in any manner as permitted under the applicable laws and the memorandum and articles of association of the Company; and
- (v) each of the New Shares arising from the Capital Reduction and Share Sub-division shall rank *pari passu* in all respects with each other and have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the directors of the Company be and are hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to or in connection with the implementation of the Capital Reorganisation.”

By order of the Board
China Silver Technology Holdings Limited
Lai Yubin
Chairman

Hong Kong, 5 September 2022

Registered Office:

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

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

Unit E, 30/F
Tower B, Billion Centre
1 Wang Kwong Road
Kowloon Bay, Kowloon
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person(s) as his/her proxy to attend and vote instead of him/her. In the case of a recognised clearing house, it may authorise such person(s) as it thinks fit to act as its representative(s) at the meeting and vote in its stead. A proxy need not be a member of the Company.
2. In order to be valid, the proxy form together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting (i.e. by 11:00 a.m. on Wednesday, 28 September 2022) or any adjournment thereof (as the case may be).
3. Completion and return of the proxy form shall not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof if he so desires and, in such event, the relevant form of proxy shall be deemed to have been revoked.
4. Where there are joint holders of any share, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he/she were solely entitled to vote; but if more than one of such joint holders be present at the meeting in person or by proxy, then the one of such holders whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.

NOTICE OF EXTRAORDINARY GENERAL MEETING

5. The register of members of the Company will be closed from Tuesday, 27 September 2022 to Friday, 30 September 2022 (both days inclusive) for the purpose of determining the eligibility of the shareholders of the Company to attend and vote at the EGM. During the closure of the register of members of the Company, no transfer of Shares will be effected. In order to be eligible to attend and vote at the EGM (or at any adjournment thereof), all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Monday, 26 September 2022.
6. If Typhoon Signal No. 8 or above is hoisted, or a "black" rainstorm warning signal or "extreme conditions after super typhoons" announced by the Government of Hong Kong is/are in force in Hong Kong at or at any time after 7:00 a.m. on the date of the meeting, the meeting will be postponed. The Company will post an announcement on the website of the Company at www.csthld.com and on the HKEXnews website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and venue of the rescheduled meeting.
7. As at the date hereof, the Board comprises Mr. Kong Chan Fai (Vice-Chairman), Mr. Xu Ming (Chief Executive Officer), Mr. Zeng Yongguang, Mr. Guo Jun Hao and Ms. Liang Jiabin as executive Directors; Mr. Lai Yubin (Chairman) and Mr. Wei Xiaomin as non-executive Directors; and Mr. Wong Kwok On, Mr. Bonathan Wai Ka Cheung, Dr. Loke Yu (alias Loke Hoi Lam) and Ms. Qiu Yumei as independent non-executive Directors.

SPECIAL ARRANGEMENTS RELATING TO COVID-19:

In view of the ongoing Novel Coronavirus (COVID-19) pandemic and the requirements for prevention and control of its spread, the Company will implement preventive measures at the meeting to protect attending Shareholders, staff and other stakeholders from the risk of infection and/or to comply with the laws of Hong Kong, including: (a) the conducting of compulsory body temperature checks on every Shareholder, proxy and other attendees at the entrance of the meeting venue, and any person with a body temperature of over 37.4 degrees Celsius will be denied entry into the meeting venue or be required to leave the meeting venue; (b) every attendee being required to wear surgical face mask inside the meeting venue at all times; (c) seating arrangements inside the venue to maintain social distancing; (d) no refreshments or souvenirs being provided inside the meeting venue; and (e) limitation being imposed on the number of attendees at the meeting as may be necessary to avoid over-crowding and/or compliance with the laws of Hong Kong. The Company reserves the right to deny entry into the meeting venue or require any person to leave the meeting venue in order to ensure the safety of the attendees and/or the compliance with the laws of Hong Kong. The Company hereby reminds the Shareholders not to attend the meeting if they have contracted or are suspected to have contracted COVID-19 or are subject to quarantine or self-quarantine in relation to COVID-19 or have had close contact with anybody who has contracted or is suspected to have contracted COVID-19.

The Company is closely monitoring the impact of COVID-19 pandemic in Hong Kong. Depending on the development of situation regarding the epidemic nearer the time of the meeting, additional precautionary measures may be implemented as may be appropriate. Should any changes are required to be made to the meeting arrangements, the Company will notify the Shareholders by further announcement(s) on the websites of the Company and the Stock Exchange. Shareholders are reminded to read the announcements made by the Company nearer the time of the meeting.