
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 registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Changmao Biochemical Engineering Company Limited***, you should at once hand this circular to the purchaser or transferee or to the bank, 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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This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purposes of giving information with regard to Changmao Biochemical Engineering Company Limited. 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 in this circular misleading.*



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 954)

**GENERAL MANDATE TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

Notice convening the AGM to be held at 10:00 a.m. on Thursday, 18 May 2023 at Capital Conference Services Limited, Suite 3318, 33/F, Jardine House, 1 Connaught Place, Central, Hong Kong are set out on pages 13 to 16 of this circular.

Proxy form for use at the AGM are enclosed and are also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cmbec.com.hk).

Whether or not you are able to attend the AGM, you are advised to complete the enclosed proxy form in accordance with the instructions printed thereon and return it, in the case of holders of Domestic Shares and Foreign Shares, to the principal place of business of the Company in Hong Kong at Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong, and, in the case of holders of H Shares, to the Company's H share registrar, being Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as practicable and in any event no later than 24 hours before the time appointed for the holding of the AGM.

Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjourned meetings thereof should you so wish.

This circular will be published on the Stock Exchange's website at www.hkexnews.hk and on the Company's website at www.cmbec.com.hk.

* For identification purpose only

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the meanings as set out below:

“AGM”	the annual general meeting of the Company to be held at 10:00 a.m. on Thursday, 18 May 2023 at Capital Conference Services Limited, Suite 3318, 33/F, Jardine House, 1 Connaught Place, Central, Hong Kong, notice of which is set out on pages 13 to 16 of this circular
“Board”	the board of Directors
“Company”	常茂生物化學工程股份有限公司 (Changmao Biochemical Engineering Company Limited*), a joint stock limited company incorporated in the PRC with the H Shares currently listed on the Stock Exchange (stock code: 954)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) with a par value of RMB0.10 each in the capital of the Company which is(are) subscribed for in RMB by PRC citizens and/or entities
“Foreign Share(s)”	ordinary share(s) with a par value of RMB0.10 each in the capital of the Company which is(are) subscribed for in a currency other than RMB by non-PRC citizens and/or entities
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the capital of the Company which is(are) subscribed for and traded in HK\$ and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	4 April 2023, 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
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

* For identification purpose only

DEFINITIONS

“Share(s)”	collectively, Domestic Share(s), Foreign Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with the Domestic Shares, Foreign Shares and H Shares with an aggregate nominal amount of up to but not exceeding 20% of the aggregate nominal amount of each of the Domestic Shares, Foreign Shares and/or H Shares respectively in issue as at the date of passing of the proposed special resolution
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

LETTER FROM THE BOARD



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 954)

Executive Directors:

Mr. Rui Xin Sheng (*Chairman*)

Mr. Pan Chun

Non-executive Directors:

Mr. Zeng Xian Biao

Mr. Yu Xiao Ping

Ms. Leng Yi Xin

Mr. Wang Jian Ping

Independent non-executive Directors:

Mr. Zhou Zhi Wei

Mr. Shu Rong Xin

Ms. Cheng Mun Wah

Head office and legal address:

No. 1228 Chang Jiang Bei Road

New North Zone

Changzhou City

Jiangsu Province, 213034

The PRC

Principal place of business

in Hong Kong:

Room 54, 5th Floor

New Henry House

10 Ice House Street

Central

Hong Kong

13 April 2023

To the Shareholders

Dear Sir/Madam

**GENERAL MANDATE TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of the AGM and information regarding resolutions to be proposed at the AGM, including but not limited to the Share Issue Mandate.

* For identification purpose only

LETTER FROM THE BOARD

2. SHARE ISSUE MANDATE

At the AGM, a special resolution will be proposed to renew the unconditional general mandate given to the Directors to issue, allot and deal with additional Domestic Shares, Foreign Shares and/or H Shares respectively thereof not exceeding 20% of the aggregate nominal amount of each of the Domestic Shares, Foreign Shares and/or H Shares in issue on the date of passing of the special resolution in relation to the Share Issue Mandate.

The Share Issue Mandate will be valid from the date of the passing of the special resolution in relation to the Share Issue Mandate until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (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 by law to be held; or
- (iii) the date on which the powers granted by the special resolution in relation to the Share Issue Mandate is revoked or varied by a special resolution of the Company in general meeting.

As at the Latest Practicable Date, there were in issue in aggregate of 2,500,000 Domestic Shares, 343,500,000 Foreign Shares and 183,700,000 H Shares. Assuming no additional Domestic Shares, Foreign Shares and/or H Shares will be allotted or issued and no existing Domestic Shares, Foreign Shares and/or H Shares are repurchased by the Company after the Latest Practicable Date but prior to the date of the AGM, if the Share Issue Mandate is fully exercised, the Company will be authorised to issue an additional of 500,000 Domestic Shares, 68,700,000 Foreign Shares and 36,740,000 H Shares respectively. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Share Issue Mandate. The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to issue Shares at such time as the Directors think fit without the need to convene a general meeting to approve issue of Shares.

3. PROPOSED FINAL DIVIDEND

As stated in the final results announcement of the Company for the year ended 31 December 2022 dated 28 March 2023, the Directors recommend the payment of a final dividend of RMB0.077 (inclusive of tax) per share in cash, totalling approximately RMB40,787,000 for the year ended 31 December 2022. The proposed dividend is subject to approval by the Shareholders at the AGM. It is intended that the dividend will be payable on 18 July 2023 to the holders of Domestic Shares, Foreign Shares and H Shares whose names appear on the register of member of the Company at 4:30 p.m. on 29 May 2023.

The H Share register of shareholders of the Company will be closed from 24 May 2023 to 29 May 2023 (both days inclusive), during which no transfer of H Shares will be effected. In order to qualify for the final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 23 May 2023.

LETTER FROM THE BOARD

4. AGM

The AGM will be convened for the purpose of considering and, if thought fit, passing the ordinary resolutions relating to the ordinary businesses of the Company, and the special resolution in relation to the Share Issue Mandate.

Notices convening the AGM to be held at 10:00 a.m. on Thursday, 18 May 2023 at Capital Conference Services Limited, Suite 3318, 33/F, Jardine House, 1 Connaught Place, Central, Hong Kong are set out on pages 13 to 16 of this circular.

Proxy form for use at the AGM are enclosed and are also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cmbec.com.hk).

Whether or not you are able to attend the AGM, you are advised to complete the enclosed proxy form in accordance with the instructions printed thereon and return it, in the case of holders of Domestic Shares and Foreign Shares, to the principal place of business of the Company in Hong Kong at Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong, and, in the case of holders of H Shares, to the Company's H share registrar, being Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as practicable and in any event no later than 24 hours before the time appointed for the holding of the AGM.

Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjourned meetings thereof should you so wish.

5. VOTING BY POLL

Pursuant to rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

6. CLOSURE OF REGISTER OF MEMBERS

Holders of H Shares are advised that the register of members of the Company will close from 15 May 2023 to 18 May 2023 (both days inclusive), during which time no transfer of H Shares will be effected and registered. Shareholders whose names appear on the register of members of the Company at the close of business on 12 May 2023 are entitled to attend the AGM. In order to qualify for attendance at the AGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's share registrar and transfer office for H shares, Computershare Hong Kong Investor Services Limited, by 4:30 p.m. on 12 May 2023.

LETTER FROM THE BOARD

7. RECOMMENDATIONS

The Board considers that the Share Issue Mandate and all other resolutions set out in the notice of AGM are all in the best interest of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of all the resolutions set out in the notice of AGM.

By order of the Board
Changmao Biochemical Engineering Company Limited*
Rui Xin Sheng
Chairman

* *For identification purpose only*

In 2022, the Board of Directors of Changmao Biochemical Engineering Company Limited (hereinafter referred to as the “Company”) strictly abides by laws and regulations such as the “Company Law”, “Securities Law” and other rules and regulations such as the “Articles of Association”, conscientiously implement the resolutions passed by the general meeting of shareholders, actively promote the implementation of the resolutions of the board of directors, constantly standardise corporate governance, and promote operations legally. All Directors are dedicated, diligent and responsible, actively participate in the decision-making process of various major issues of the Company with a scientific, rigorous, prudent and objective working attitude, and strive to safeguard the legitimate rights and interests of the Company and all shareholders, effectively guaranteeing the Company’s the execution of annual work objectives. The following is a summary of the work of the Board in 2022 and a brief report on future work, and report to the 2022 Annual General Meeting of Shareholders accordingly.

(I) Operations in 2022

In 2022, facing the severe situation of the global COVID epidemic and the complex and changing economic situation at domestic market and abroad, the Company always insisted on keeping up with the development of the market, continuously improved its research and development and technological innovation capabilities, and achieved an annual sales of RMB730.034 million, a year-on-year increase of 33%, and the net profit attributable to shareholders of the Company was RMB81.423 million.

(II) Duty Performance of the Board

	Date	Session
1	25 March 2022	The 12th Meeting of the Seventh Session
2	23 May 2022	The 13th Meeting of the Seventh Session
3	20 June 2022	The 1st Meeting of the Eighth Session
4	30 June 2022	The 2nd Meeting of the Eighth Session
5	18 August 2022	The 3rd Meeting of the Eighth Session
6	30 November 2022	The 4th Meeting of the Eighth Session

The Company’s Board has 9 Directors, including 3 independent non-executive Directors. The number and composition of the Board meets the requirements of laws and regulations and the “Articles of Association”. All Directors had carried out their work in accordance with laws, regulations and systems such as the “Company Law” and “Articles of Association”, attended meetings on time, honestly and diligently performed various duties in accordance with laws and regulations, and protected the interests of shareholders. Considering the long-term health and development of the Company, the Board seriously and responsibly reviewed various proposals submitted to the Board, and made important decisions on major issues of corporate governance and operation management.

- (1) Held the meetings of the board of directors
- (2) The Board organised and held the general meeting of shareholders and the implementation of the resolutions of the general meeting of shareholders

The company's board of directors has implemented various resolutions of the general meeting of shareholders in accordance with the law conscientiously, and all proposals passed by the general meeting of shareholders have been implemented.

- (3) Performance of special committees under the Board of Directors

1. Audit Committee

The audit committee of the eighth session of Directors of the Company comprises three directors, namely, Cheng Mun Wah, Shu Rong Xin and Zhou Zhi Wei, with Cheng Mun Wah as the chairman.

In 2022, the Audit Committee of the Board has performed relevant supervision and inspection duties in strict accordance with relevant laws and regulations, the Articles of Association, and the Implementation Rules for the Audit Committee of the Board.

2. Nomination Committee

The nomination committee of the eighth session of Directors of the Company comprises four directors: Zhou Zhi Wei, Rui Xin Sheng, Shu Rong Xin and Cheng Mun Wah, with Zhou Zhi Wei as the chairman.

3. Remuneration and Appraisal Committee

The Remuneration and Appraisal Committee of the eighth session of Directors of the Company comprises four directors: Shu Rong Xin, Rui Xin Sheng, Zhou Zhi Wei and Cheng Mun Wah, with Rui Xin Sheng as the chairman.

In 2022, the Nomination Committee, Remuneration and Appraisal Committee of the Board performed their duties in strict accordance with relevant laws and regulations, the Articles of Association, and the implementation rules of relevant committees, and evaluated the work of the Directors and senior management.

4. Strategic Committee

The strategy committee of the eighth session of Directors of the Company comprises three Directors: Rui Xin Sheng, Pan Chun, and Leng Yi Xin, with Rui Xin Sheng as the chairman.

(4) Duty performance of independent non-executive Directors

The independent non-executive Directors strictly followed the “Company Law”, “Articles of Association” and other relevant regulations, performed their obligations, exercised their rights, actively attended relevant meetings, carefully reviewed various proposals of the Board, and performed their duties diligently, fully played the role of independent non-executive Directors.

(III) Outlook

The Board will closely focus on the purpose of “adding flavor to life and adding excitement to the world”, actively play the core role of the Board in corporate governance, perform the daily work of the Board, make scientific and efficient decisions on major issues from the interests of all shareholders. The Board will conscientiously implement the resolutions of the general meeting of shareholders, ensure the steady and orderly development of operation and management, and provide strong decision-making support and guarantee for the full realisation of the annual scientific research, production and operation goals.

(1) Coordinating strategy and planning controls to ensure the implementation of various tasks and objectives of the year

According to the macro situation and the Company’s strategy, the Board will timely supplement and revise the development plan, realise the full connection between the medium and long-term plan and the annual plan, deploy and arrange the implementation of the annual business plan, consolidate the responsibilities of the management, integrate various resources, and promote effective coordination, and further promote the operation plan, performance evaluation, information management, and continuously manage the annual business goals.

(2) Efficient operation and improving the decision-making mechanism of the Board

1. Strengthen meeting management and improve meeting efficiency;
2. Further enhance the role of the special committees of the Board and independent non-executive Directors. They will perform their duties in accordance with the law, understand the major events that have occurred and may occur and their progress, evaluate the possible impact on the Company, fully understand the operation of the Company, and give professional and feasible suggestions or opinions in a timely manner.

- (3) Continue to strengthen guidance on the Company's operation and management
 - 1. Make scientific and timely decisions on the Company's major business management matters, and create a good environment for the management to carry out their work;
 - 2. Continue to strengthen the Company's internal control system, continuously optimise the operation management system, prevent risks, and ensure the sustainable and healthy development of the Company.

- (4) Paying great attention to the training requirements
 - 1. The Company will comply with the relevant requirements of the regulatory authorities, strictly complete the annual training requirements for directors, supervisors and senior management of the Company, ensure follow-up training required for the qualifications of independent non-executive Directors, and the business training of financial managers, and continuously improve the performance of Directors, supervisors and senior management.
 - 2. The Company will ensure that there are internal standard operation training for its staff, continuously strengthen the compliance awareness and risk responsibility awareness of management at all levels of the Company, and effectively improve the Company's standard operation.

The Board of Changmao Biochemical Engineering Company Limited

28 March 2023

In 2022, the Board of Supervisors of Changmao Biochemical Engineering Company Limited (hereinafter referred to as the “Company”) has followed requirements of the “Company Law”, “Securities Law”, “Articles of Association” and other laws, regulations and normative documents, in the spirit of being responsible to all shareholders, conscientiously performed the duties entrusted by relevant laws and regulations, independently exercised supervisory functions according to law, actively and effectively carried out various tasks, and monitored the Company’s business activities, major decisions, financial conditions, Board meetings, and shareholder meetings. The procedures and performance of Directors and senior managers are reviewed and supervised to promote the Company’s standardised operation and healthy development. The work of the board of Supervisors is as follows:

(I) Work of the Supervisory Committee

During the reporting period, the Company’s board of supervisors held two meetings. The convening and voting procedures of the meetings were in compliance with the provisions of relevant laws, regulations and normative documents such as the “Company Law” and the “Articles of Association”.

	Date	Session
1	28 June 2022	1st meeting of the eighth session
2	30 November 2022	2nd meeting of the eighth session

During the reporting period, the Company’s board of supervisors attended the meetings of the Board in strict accordance with the relevant laws, regulations and the company’s articles of association, supervised the proposals and meeting procedures for the resolutions considered in each Board meetings in accordance with the law, and reviewed the legal operation of the Company, carefully supervised and inspected the financial situation and the performance of the Board and management to ensure the standardisation of the Company’s operation and management.

(II) Opinions of the Board of Supervisors on Relevant Matters During the Reporting Period of the Company

During the reporting period, the Company’s board of supervisors conscientiously performed the their functions from the perspective of safeguarding the interest of the Company and rights of the shareholders of the Company in accordance with the relevant provisions of the “Company Law” and “Articles of Association” to monitor the company’s legal operation, financial status, internal control, etc. In order to conduct careful supervision and inspection, the following opinions are issued:

1. The legal operation of the Company

During the reporting period, the Company held a total of 6 board meetings and 2 general meetings of shareholders. The board of supervisors reviewed and supervised the procedures for the Board and general meetings of shareholders, the implementation of resolutions of the general meeting of shareholders by the Board, the performance of duties by Directors and senior managers of the Company and the Company's internal control system. It is concluded that the convening and decision-making procedures of the Board and shareholders' meetings strictly follow the relevant provisions of the "Company Law" and "Articles of Association", the decision-making procedures are legal and effective, and the resolutions of the meetings are effectively implemented; the Company's internal control system is relatively perfect; the Board, the individual directors and senior management strictly fulfill their fiduciary obligations, diligently perform their duties, earnestly implement the resolutions of the shareholders' meeting, and did not violate laws, regulations, the "Articles of Association" or damage the interests of the Company's shareholders.

2. Reviewing the company's financial situation

Members of the Company's board of supervisors carefully reviewed and supervised the Company's financial system, financial management, and operating results during the reporting period by attending the Board and shareholders' meetings, communicated with the financial controller and auditors, and believed that the Company's financial system is sound, the financial management is standardised, the financial status is good, and there was no violation of relevant laws and regulations; the 2022 annual financial report truly and objectively reflects the Company's financial status, operating results and cash flow.

(III) Work Plan of the Board of Supervisors for 2023

In 2023, the Board of supervisors will strictly implement the relevant provisions of the Company Law, the Securities Law and the Articles of Association, conscientiously perform the functions of the Board of supervisors, and work with the Board and all shareholders to promote the Company's standardised operation and sustainable and healthy development, and establish a company integrity image, safeguard the legitimate rights and interests of the Company and shareholders. The main work is:

1. Supervise the legal operation of the company, and actively supervise the formulation and effective operation of the internal control system;
2. Review the Company's financial situation, and supervise the Company's financial operations by regularly understanding and reviewing the Company's financial reports;
3. Supervise the diligence and responsibility of the Directors and the Company's senior management, and prevent behaviors that damage the Company's interests and image.

The Board of Supervisors of Changmao Biochemical Engineering Company Limited

28 March 2023

NOTICE OF ANNUAL GENERAL MEETING



常茂生物化學工程股份有限公司
Changmao Biochemical Engineering Company Limited*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 954)

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of Changmao Biochemical Engineering Company Limited (“Company”) will be held at 10:00 a.m. on Thursday, 18 May 2023 at Capital Conference Services Limited, Suite 3318, 33/F, Jardine House, 1 Connaught Place, Central, Hong Kong for the following purposes:

As ordinary resolutions:

1. To consider and approve the audited consolidated financial statements of the Company, together with the report of the Directors, the report of the Supervisory Committee and the international independent auditor’s report for the year ended 31 December 2022.
2. To consider and approve the 2022 Working Report of the Board of Directors.
3. To consider and approve the 2022 Working Report of the Board of Supervisors.
4. To consider and approve the final dividend distribution proposal for the year ended 31 December 2022.
5. To consider and approve the re-appointment of PricewaterhouseCoopers as the international auditor of the Company and PricewaterhouseCoopers Zhong Tian LLP as the domestic auditor of the Company; and to authorise the Board to fix their remunerations.
6. To transact any other business.

As special resolution:

1. To consider and approve granting a general mandate to the Board to exercise the right to allot and issue new shares of the Company:

“THAT:

- (a) subject to the limitations imposed by (c) and (d) below and in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”), the Company Law of the People’s Republic of China (“PRC”), and other applicable laws and regulations (in each case as amended from time to time), a general unconditional mandate be and is hereby granted to the board of directors to exercise once or more during the “Relevant Period” (as defined below) all the powers of the Company to allot and issue new shares on such terms and conditions the board of directors may determine and that, in the exercise of their powers to allot and issue shares, the authority of the board of directors shall include (without limitation):

- (i) the determination of the class and number of the shares to be allotted;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the determination of the issue price of the new shares;
 - (iii) the determination of the opening and closing dates of the issue of new shares;
 - (iv) the determination of the class and number of new shares (if any) to be issued to the existing shareholders;
 - (v) to make or grant offers, agreements and options which might require the exercise of such powers; and
 - (vi) in the case of an offer or issue of shares to the shareholders of the Company, excluding shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region, on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the board of directors consider expedient;
- (b) upon the exercise of the powers granted under paragraph (a), the board of directors of the Company may during the “Relevant Period” make or grant offers, agreements and options which might require the shares relating to the exercise of the authority there under being allotted and issued after the expiry of the “Relevant Period”;
- (c) the aggregate amount of the Domestic Shares, Foreign Shares and/or overseas listed foreign shares (“H Shares”) to be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to the exercise of options or otherwise) by the board of directors of the Company pursuant to the authority granted under paragraph (a) above (excluding any shares which may be allotted upon the conversion of the common reserve (公積金) into capital in accordance with the Company Law of the PRC or the Articles of Association of the Company) shall not exceed twenty per cent (20%) of the amount of the Domestic Shares, Foreign Shares and/or H Shares of the Company separately in issue as at the date of passing of this Resolution;
- (d) the board of directors of the Company in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law of the PRC, other applicable laws and regulations of the PRC, and the Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of the China Securities Regulatory Commission and relevant authorities of the PRC (if any);
- (e) for the purposes of this Resolution: “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company; or
 - (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 by law to be held; or
 - (iii) the date on which the powers granted by this Resolution is revoked or varied by a special resolution of the Company in general meeting;

NOTICE OF ANNUAL GENERAL MEETING

- (f) the board of directors shall, subject to the relevant approvals of the relevant authorities and the exercise of the power granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations of the PRC, increase the Company's registered capital corresponding to the relevant number of shares allotted upon the exercise of the powers granted under paragraph (a) of this Resolution, provided that the registered capital of the Company shall not exceed 120% of the amount of registered capital of the Company as at the date of passing of this Resolution;
- (g) the board of directors be and they are hereby authorised to amend, as they may deem appropriate and necessary, relevant articles of the Articles of Association of the Company to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) to allot and issue new shares."

By order of the Board
Rui Xin Sheng
Chairman

The PRC, 13 April 2023

Notes:

1. Holders of H Shares are advised that the register of members of the Company will close from 15 May 2023 to 18 May 2023 (both days inclusive), during which time no transfer of H Shares will be effected and registered. Shareholders whose names appear on the register of members of the Company at the close of business on 12 May 2023 are entitled to attend the AGM. In order to qualify for attendance at the AGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's share registrar and transfer office for H shares, Computershare Hong Kong Investor Services Limited, by 4:30 p.m. on 12 May 2023.
2. Every shareholder who has the right to attend and vote at the AGM is entitled to appoint one or more proxies, whether or not they are shareholders of the Company, to attend and vote on his behalf at the AGM.
3. A proxy shall be appointed by an instrument in writing. Such instrument shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited, in the case of holders of Domestic Shares and Foreign Shares, at the Company's principal place of business in Hong Kong; in the case of holders of H Shares, at the Company's H share registrar not less than 24 hours before the time appointed for the holding of the AGM. If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy, in the case of holders of Domestic Shares and Foreign Shares, at the Company's principal place of business in Hong Kong; in the case of holders of H Shares, at the Company's H share registrar.
4. The purpose of having special resolution number 1 is to grant a general power to the Board to allot and issue new shares subject to applicable laws, regulations and rules.
5. Shareholders and their proxies attending the AGM shall be responsible for their own travelling and accommodation expenses.

NOTICE OF ANNUAL GENERAL MEETING

6. According to the Article 63 of the Articles of Association of the Company, when the Company convenes a shareholders' annual general meeting, shareholder(s) holding 3% or more of the total shares carrying voting rights of the Company are entitled to propose new matters in writing to be considered and the Company shall include in the agenda of that meeting those matters contained in the proposal which are within the scope of the duties of the general meeting provided that the proposal is delivered to the Company 10 working days prior to the date of the AGM.

7. The address of Computershare Hong Kong Investor Services Limited is:
17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Tel No.: (852) 2862 8555
Fax No.: (852) 2865 0990

The address of the Company's principal place of business in Hong Kong is:
Room 54, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong
Tel No.: (852) 2525 2242
Fax No.: (852) 2525 6994

8. If tropical cyclone warning signal no. 8 or above, "extreme conditions" caused by super typhoons or a black rainstorm warning is in effect at any time after 7:00 am on the AGM date, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.