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

If you have sold or transferred all your shares in Yincheng Life Service CO., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**NOTICE OF ANNUAL GENERAL MEETING;
PROPOSALS FOR RE-ELECTION OF DIRECTORS;
AND
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

A notice convening the AGM of Yincheng Life Service CO., Ltd. to be held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Thursday, 1 June 2023, at 9:00 a.m., at which, among other things, the above proposals will be considered, is set out on pages 10 to 14 of this circular.

Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

29 April 2023

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RESPONSIBILITY STATEMENT

This circular, for which the Directors (as defined herein) collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules (as defined herein) for the purpose of giving information with regard to the Company. The Directors (as defined herein), having made all reasonable enquiries, confirmed that to the best of their knowledge and belief that 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.

DEFINITIONS

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

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| “AGM” | the annual general meeting of the Company to be convened and held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Thursday, 1 June 2023 at 9:00 a.m., notice of which is set out on pages 10 to 14 of this circular and any adjournment thereof |
| “Articles” | the articles of association of the Company (as amended from time to time) |
| “associates” | has the meaning as defined under the Listing Rules |
| “Board” | the board of Directors |
| “China” or “PRC” | the People’s Republic of China, which for the sole purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan |
| “Controlling Shareholders” | has the meaning ascribed to it under the Listing Rules, and unless the context requires otherwise, means Mr. Huang, Silver Huang Holding Limited and Silver Wutong Holding Limited collectively |
| “Companies Act” | the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands |
| “Company” | Yincheng Life Service CO., Ltd., an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1922) |
| “Director(s)” | the director(s) of the Company |

DEFINITIONS

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| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Issue Mandate” | a general unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares of up to 20% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate and adding thereto any Shares representing the aggregate number of Shares repurchased by the Company pursuant to the authority granted under the Repurchase Mandate |
| “Latest Practicable Date” | 25 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Mr. Huang” | Mr. Huang Qingping (黃清平), a non-executive Director and one of the Controlling Shareholders |
| “Repurchase Mandate” | a general unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares of up to 10% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| “Share(s)” | ordinary share(s) with nominal value of HK\$0.01 each in the share capital of the Company, which are traded in Hong Kong dollars and listed on the Main Board of the Stock Exchange |

DEFINITIONS

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| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Hong Kong Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong as amended, supplemented or otherwise modified from time to time |
| “HK\$” and “cents” | Hong Kong dollars and cents, the lawful currency of Hong Kong |
| “%” | per cent. |

LETTER FROM THE BOARD



銀城生活服務有限公司

YINCHENG LIFE SERVICE CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1922)

Executive Directors:

Li Chunling
Huang Xuemei

Non-executive Directors:

Xie Chenguang (*Chairman*)
Huang Qingping
Ma Baohua
Zhu Li

Independent non-executive Directors:

Chow Siu Hang
Li Yougen
Mao Ning

Registered office:

Sertus Chambers
Governors Square, Suite #5-204
23 Lime Tree Bay Avenue
P.O. Box 2547
Grand Cayman KY1-1104
Cayman Islands

Principal place of business

in Hong Kong:

Suite F, 14/F
Neich Tower
128 Gloucester Road
Wanchai
Hong Kong

29 April 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS;
AND
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

INTRODUCTION

The purpose of this circular is to provide you with the information in respect of the resolutions to be proposed to seek an approval from the Shareholders in respect of, among other matters, (i) the re-election of Directors; and (ii) the granting to the Directors of the Issue Mandate and the Repurchase Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with Article 108(a) of the Articles, Mr. Huang Qingping, Mr. Ma Baohua and Mr. Chow Siu Hang will retire and, being eligible, offer themselves for re-election at the AGM.

Details of the abovementioned Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular, which indicates how the Directors to be elected contribute to the diversity to the Board.

Procedure and Process for Nomination of Directors

The Nomination Committee will recommend to the Board regarding the appointment of a Director including an independent non-executive Director in accordance with the following selection criteria and nomination procedures:

Selection criteria

The Nomination Committee shall consider the following criteria in evaluating and selecting candidates for directorships:

- (a) reputation for integrity;
- (b) necessary work experience and qualifications considered relevant by the Nomination Committee;
- (c) commitment in respect of sufficient time, interest and attention to the Company's business;
- (d) diversity in all aspects, including but not limited to gender, age, cultural, educational and professional background, skills, knowledge and experience;

LETTER FROM THE BOARD

- (e) the ability to assist and support management and make significant contributions to the Company's success;
- (f) compliance with the criteria of independence as prescribed under Rule 3.13 of the Listing Rules (for the appointment of an independent non-executive Director); and
- (g) any other relevant factors as may be determined by the Nomination Committee or the Board from time to time.

The appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board shall be made in accordance with the Company's Articles and other applicable rules and regulations.

Nomination Procedures

The procedures for the Nomination Committee to nominate candidates to the Board for directorship are as follows:

- (a) the secretary of the Nomination Committee shall convene a meeting, and invite nominations of candidates from the Board members (if any), for consideration by the Nomination Committee. The Nomination Committee may also nominate candidates for its consideration;
- (b) in the context of appointment of any proposed candidate to the Board, the Nomination Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval;
- (c) in the context of re-appointment of any existing member(s) of the Board, the Nomination Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting;
- (d) please also refer to the "Procedures for Shareholder to Propose a Person for Election as a Director" published on the website of the Company from time to time; and
- (e) the Board shall have the final decision on all matters.

LETTER FROM THE BOARD

Recommendation of the Nomination Committee

The Nomination Committee has considered Mr. Chow Siu Hang's extensive experience in the investment banking and financial field, his working profile and other experience and factors as set out in his biographical details in Appendix II to this circular. The Nomination Committee is satisfied that Mr. Chow has the required character, integrity and experience to continuously fulfil his role as an independent non-executive Director effectively.

Furthermore, Mr. Chow Siu Hang, Mr. Li Yougen and Mr. Mao Ning, being independent non-executive Directors eligible for re-election at the AGM, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. During their appointments, they have demonstrated their abilities to provide an independent view to the Company's matters. The Nomination Committee is of the view that they are able to continue to fulfill their roles as independent non-executive Directors and thus recommends Mr. Chow Siu Hang to the Board for it to propose to the Shareholders for re-election at the AGM.

The Nomination Committee had reviewed the Board's composition with due regard to the diversity aspects as set out in the diversity policy of the Board (including without limitation, gender, age, race, language, cultural background, educational background, industry experience and professional experience). Pursuant to the prevailing nomination policy of the Company as set out above, the Nomination Committee nominated Mr. Huang Qingping and Mr. Ma Baohua (both are non-executive Directors) and Mr. Chow Siu Hang (independent non-executive Director) to the Board for the Board to recommend to the Shareholders for re-election at the AGM.

The Board, having noted the above, considers that the proposed re-election of Mr. Huang Qingping, Mr. Ma Baohua and Mr. Chow Siu Hang would be in the best interests of the Company and its Shareholders as a whole. Therefore, the Board accepted the Nomination Committee's nomination and recommended each of Mr. Huang Qingping, Mr. Ma Baohua and Mr. Chow Siu Hang to stand for re-election by the Shareholders at the AGM.

GENERAL MANDATES

At the annual general meeting of the Company held on 1 June 2022, ordinary resolutions were passed to grant the Directors (i) a general unconditional mandate to allot, issue and deal in Shares not exceeding 20% of the aggregate number of Shares of the Company in issue at the date of the passing of the relevant resolution; (ii) a general unconditional mandate to repurchase Shares up to 10% of the aggregate number of Shares of the Company in issue at the date of the passing of the relevant resolution; and (iii) to extend the general mandate mentioned in (i) above by the addition of an amount representing the aggregate number of Shares of the Company repurchased by the Company pursuant to the mandate to repurchase Shares referred to (ii) above.

LETTER FROM THE BOARD

The above general mandates will continue to be in force until (i) the conclusion of the AGM; or (ii) the date by which the AGM is required to be held by the Articles or any applicable law(s); or (iii) the revocation or variation by ordinary resolution of the Shareholders in general meeting, whichever occurs first. It is therefore proposed to seek your approval by way of ordinary resolutions to be proposed at the AGM to approve the Issue Mandate and the Repurchase Mandate. The Directors wish to state that they have no immediate plan to issue any Shares or repurchase any Shares pursuant thereto. Please refer to resolutions numbered 4 to 6 set out in the notice of AGM on pages 10 to 14 of this circular for details of the proposed Issue Mandate and Repurchase Mandate.

As at the Latest Practicable Date, the number of issued Shares of the Company was 267,152,000 Shares, and assuming that no further Shares are to be issued or repurchased prior to the AGM, the Issue Mandate will grant the Directors with an authority to issue up to 53,430,400 Shares.

EXPLANATORY STATEMENTS

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate at the AGM.

ANNUAL GENERAL MEETING

Set out on pages 10 to 14 of this circular is a notice convening the AGM to consider and, if appropriate, to approve, among others, the resolutions relating to the proposals for the granting of the Issue Mandate and the Repurchase Mandate; and the re-election of Directors.

A form of proxy for use at the AGM is enclosed herewith. If you are not able to attend and/or vote at the AGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time 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 should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted by a show of hands. Accordingly, each of the resolutions put to vote at the AGM will be taken by way of poll.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the resolutions in relation to granting of the Issue Mandate and the Repurchase Mandate, and the re-election of Directors to be proposed at the AGM are in the best interests of the Company and the Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the AGM.

GENERAL

Your attention is also drawn to the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

By order of the Board
Yincheng Life Service CO., Ltd.
Xie Chenguang
Chairman

NOTICE OF ANNUAL GENERAL MEETING



銀城生活服務有限公司

YINCHENG LIFE SERVICE CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1922)

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of Yincheng Life Service CO., Ltd. (the “Company”) will be held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Thursday, 1 June 2023 at 9:00 a.m. to transact the following businesses:

1. To receive and consider the audited Financial Statements, the Reports of the Directors and the Independent Auditor for the year ended 31 December 2022.
2.
 - (i) To re-elect Mr. Huang Qingping a non-executive Director;
 - (ii) To re-elect Mr. Ma Baohua as a non-executive Director;
 - (iii) To re-elect Mr. Chow Siu Hang as an independent non-executive Director; and
 - (iv) To authorise the Board of Directors to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as Auditor and to authorise the Board of Directors to fix its remuneration.
4. **“THAT:**
 - (a) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the share capital of the Company (the “Shares”), and to make or grant offers, agreements and options and warrants or similar rights to subscribe for Shares or bonds and debentures or other securities convertible into Shares which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options and warrants or similar rights to subscribe for Shares or bonds and debentures or other securities convertible into Shares which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company, shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly;
- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purpose 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 law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction applicable to the Company outside Hong Kong).”

5. **“THAT:**
- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the aggregate number of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly;
 - (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (b) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purpose 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 law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”
6. “**THAT** conditional upon resolutions numbered 4 and 5 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional Shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution numbered 4 above be and is hereby extended by the additional thereto of an amount representing the aggregate number of Shares repurchased by the Company under the authority granted pursuant to resolution numbered 5 above, provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing the resolution.”

By order of the Board
Yincheng Life Service CO., Ltd.
Xie Chenguang
Chairman

Hong Kong, 29 April 2023

Notes:

1. For the purpose of determining the identity of the shareholders entitled to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 29 May 2023 to Thursday, 1 June 2023, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company’s branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Friday, 26 May 2023.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.

NOTICE OF ANNUAL GENERAL MEETING

4. In order to be valid, the form of proxy must 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 or other person duly authorised, and must be deposited with the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the meeting.
5. With respect to resolution numbered 2 of this notice, Mr. Huang Qingping, Mr. Ma Baohua and Mr. Chow Siu Hang shall retire from office of directorship and shall offer themselves for re-election in accordance with the Articles of Association of the Company. Details of their information which are required to be disclosed under the Listing Rules are set out in the circular of the Company dated 29 April 2023.
6. As at the date of this notice, the executive directors of the Company are Mr. Li Chunling and Ms. Huang Xuemei; the non-executive directors of the Company are Mr. Huang Qingping, Mr. Xie Chenguang, Mr. Ma Baohua and Mr. Zhu Li; and the independent non-executive directors of the Company are Mr. Chow Siu Hang, Mr. Li Yougen and Mr. Mao Ning.

The following are the particulars of the Directors proposed to be re-elected at the AGM.

As at the Latest Practicable Date, save as disclosed herein, each of the following Directors did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, none of the following Directors holds any position with the Company or any other member of the Group, nor has any directorships in other listed public companies in the last three years. In addition, save as disclosed herein, none of the following Directors has any relationship with any other Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed herein, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Huang Qingping, aged 59, is a non-executive Director of the Company. He is primarily responsible for the provision of guidance for the overall development of the Group. Mr. Huang joined the Group in September 1992. He was appointed as a Director on 3 April 2019 and was re-designated as a non-executive Director on 18 June 2019. Mr. Huang is currently also the chairman and a non-executive director of Yincheng International Holding Co., Ltd, a company listed on the Main Board of the Stock Exchange (stock code: 1902).

Mr. Huang obtained his diploma in industrial and civil engineering from Nanjing Jinling Vocational University* in the PRC in August 1983. He has over 30 years of experience in the real estate industry in the PRC.

Mr. Huang has signed an appointment letter with the Company for a term of three years, with effect from 26 August 2022. Pursuant to the appointment letter, Mr. Huang is entitled to a director's remuneration of RMB80,000 per annum.

As at the Latest Practicable Date, Mr. Huang was interested in (a) 96,120,000 Shares held by Silver Huang Holding Limited, a company beneficially and wholly-owned by Mr. Huang; and (b) 6,449,680 Shares held by Silver Wutong Holding Limited, a company beneficially and wholly-owned by Mr. Huang, within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Huang has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other directorships in other listed public companies in the last three years.

Mr. MA Baohua, aged 61, is a non-executive Director of the Company. He is primarily responsible for the provision of guidance for the overall development of the Group. Mr. Ma joined the Group in February 2004. He was appointed as a Director on 13 June 2019 and was re-designated as a non-executive Director on 18 June 2019. Mr. Ma is currently also the president and an executive director of Yincheng International Holding Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 1902).

Mr. Ma received his diploma in industrial and civil engineering from Jinling Vocational University in the PRC in August 1983. He obtained his bachelor's degree in urban and rural planning and land management from Nanjing University in the PRC in July 2001 and obtained professional qualification as a registered urban planner since May 2001. He then received his Executive Master of Business Administration (EMBA) degree from China Europe International Business School in the PRC in September 2007. He has over 30 years of experience in the real estate or real estate-related industry in the PRC.

In 2017, Mr. Ma was recognised as one of the top 100 property managers co-awarded by Sina Finance, Leju, China Real Estate Association, Shanghai Securities News and China Entrepreneur Magazine.

Mr. Ma has signed an appointment letter with the Company for a term of three years, with effect from 26 August 2022. Under the appointment letter, Mr. Ma is entitled to a director's fee of RMB80,000 per annum. Mr. Ma's appointment is subject to the provisions of retirement and rotation of directors under the Articles and the applicable Listing Rules.

Save as disclosed above, Mr. Ma has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other directorships in other listed public companies in the last three years.

Mr. Chow Siu Hang, aged 46, was appointed as an independent non-executive Director of the Company on 15 October 2019. He is primarily responsible for supervision and provision of independent advice to the Board. Mr. Chow has extensive knowledge and expertise on capital market transactions including initial public offerings, financial advisory and merger and acquisitions.

Mr. Chow is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. Chow obtained his bachelor's degree in accountancy from the City University of Hong Kong in November 1998. He has over 20 years of experience in the investment banking and financial auditing field.

Since June 2018, Mr. Chow has been an independent non-executive director of Ziyuanyuan Holdings Group Limited, a company listed on GEM of the Stock Exchange (stock code: 8223) which principally engages in provision of equipment-based finance leasing services to small and medium-sized enterprises customers in the printing, logistics and medical device industries in the PRC.

Mr. Chow has signed an appointment letter with the Company for a term of three years, with effect from 26 August 2022. Pursuant to the appointment letter, Mr. Chow is entitled to a director's fee of HK\$240,000 per annum. Mr. Chow's appointment is subject to the provisions of retirement and rotation of directors under the Articles and the applicable Listing Rules.

Save as disclosed above, Mr. Chow has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company and has not held any other directorships in other listed public companies in the last three years.

APPENDIX II EXPLANATORY STATEMENT ON REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 267,152,000 Shares. Subject to the passing of the resolution for repurchase of Shares and on the basis that no further new Shares are issued or repurchased up to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 26,715,200 Shares, representing 10% of the total issued Shares as at the date of passing the relevant resolution for granting the Repurchase Mandate.

3. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASES OF SHARES

Any repurchase of securities of the Company would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for the purpose in accordance with the Articles, the applicable laws of the Cayman Islands and the Listing Rules. Such funds include, but are not limited to, profits available for distribution. Purchases may only be effected out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account.

APPENDIX II EXPLANATORY STATEMENT ON REPURCHASE MANDATE

5. GENERAL

There might be a material adverse impact on the working capital or gearing position as compared with the position disclosed in the audited financial statements of the Company for the year ended 31 December 2022 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period.

However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during each of the previous 12 months and up to the Latest Practicable Date were as follows:

| | Shares | |
|---|----------------|---------------|
| | Highest | Lowest |
| | <i>HK\$</i> | <i>HK\$</i> |
| 2022 | | |
| April | 3.55 | 3.20 |
| May | 3.70 | 3.30 |
| June | 3.40 | 3.22 |
| July | 3.42 | 3.30 |
| August | 3.45 | 3.30 |
| September | 3.80 | 3.34 |
| October | 3.51 | 3.25 |
| November | 3.49 | 3.10 |
| December | 3.49 | 2.67 |
| 2023 | | |
| January | 2.90 | 2.80 |
| February | 3.00 | 2.85 |
| March | 2.95 | 2.50 |
| April (up to and including the Latest Practicable Date) | 2.60 | 2.05 |

7. UNDERTAKING

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate pursuant to the proposed resolution in accordance with the Listing Rules and the applicable laws of Cayman Islands.

8. CORE CONNECTED PERSON

No core connected person (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

9. TAKEOVERS CODE AND MINIMUM PUBLIC SHAREHOLDING

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, 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.

APPENDIX II EXPLANATORY STATEMENT ON REPURCHASE MANDATE

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, Mr. Huang is interested in (i) 96,120,000 Shares held through Silver Huang Holding Limited, a company wholly-owned by Mr. Huang, and (ii) 6,449,680 Shares held through Silver Wutong Holding Limited, a company wholly-owned by Mr. Huang, and accordingly, Mr. Huang was taken to be interested in an aggregate of approximately 38.39% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the total interest of Mr. Huang in the issued share capital of the Company would be increased from 38.39% to approximately 42.66% and such increase would give rise to a general offer obligation under the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to an extent such that the general offer obligation would be triggered and will not effect repurchases to such extent which would result in the number of Shares held by the public falling below the prescribed minimum percentage of 25% as required under the Listing Rules.

10. SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.