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

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

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Yinsheng Digifavor Company Limited
銀盛數惠數字有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3773)

PROPOSALS FOR

- (1) GRANTING OF GENERAL MANDATES TO ISSUE NEW
SHARES AND TO REPURCHASE SHARES;**
(2) RE-ELECTION OF RETIRING DIRECTORS;
**(3) PROPOSED AMENDMENTS TO THE EXISTING
MEMORANDUM AND ARTICLES OF ASSOCIATION AND
ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM
AND ARTICLES OF ASSOCIATION;**
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Yinsheng Digifavor Company Limited to be held physically at conference room one, 13/F, Building C2, Nanshan iPark, No. 1001, Xueyuan Boulevard, Nanshan District, Shenzhen, the PRC on Friday, 21 June 2024 at 10:30 a.m. is set out on pages 21 to 26 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.ysdf.com.cn), respectively. Whether or not you are able to be present at the annual general meeting, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting (i.e. before 10:30 a.m. on Wednesday, 19 June 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting (or any adjournment thereof) if you so wish, and in such event, the form of proxy shall be deemed to be revoked.

24 April 2024

DEFINITIONS

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

“Amended and Restated Memorandum and Articles of Association”	the amended and restated memorandum and articles of association of the Company incorporating and consolidating all the Proposed Amendments to be considered and approved for adoption by way of a special resolution at the Annual General Meeting
“Annual General Meeting”	the annual general meeting of the Company to be held physically at conference room one, 13/F, Building C2, Nanshan iPark, No. 1001, Xueyuan Boulevard, Nanshan District, Shenzhen, the PRC on Friday, 21 June 2024 at 10:30 a.m. or any adjournment thereof, the notice of which is set out on pages 21 to 26 of this circular
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Companies Act”	the Companies Act (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Yinsheng Digifavor Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 3773)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company currently in force
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region

DEFINITIONS

“Proposed Amendments”	the proposed amendments to the Memorandum and Articles of Association as set out in Appendix III to this circular
“Proposed Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the Proposed Issue Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Proposed Repurchase Mandate
“Proposed Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued shares of the Company as at the date of passing of the relevant resolution granting the Proposed Issue Mandate
“Proposed Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to repurchase Shares not exceeding 10% of the number of issued shares of the Company as at the date of passing of the relevant resolution granting the Proposed Repurchase Mandate
“RMB”	Renminbi, the lawful currency of the PRC
“Securities and Futures Ordinance”	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) of nominal or par value of US\$0.01 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 14 December 2015 and the details of which are disclosed in the Company’s prospectus dated 24 December 2015 and as amended from time to time
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-Backs, as amended, supplemented or otherwise modified from time to time
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

LETTER FROM THE BOARD

Yinsheng Digifavor Company Limited

銀盛數惠數字有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3773)

Executive Directors:

Dr. Zhou Jinhuang (*Chairman*)
Mr. Guan Heng (*Chief Executive Officer*)
Mr. Huang Junmou (*Honorary Chairman*)

Registered office:

PO Box 309, Uglan House
Grand Cayman, KY1-1104
Cayman Islands

Non-executive Directors:

Mr. Fan Weiguo
Mr. Yu Zida

*Headquarters and principal place of
business in the PRC:*

13/F, Building C2
Nanshan iPark
No. 1001, Xueyuan Boulevard
Nanshan District, Shenzhen, PRC

Independent non-executive Directors:

Mr. Zhang Mingqun
Ms. Zou Guoying
Dr. Li Yao

*Principal place of business in
Hong Kong:*

40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai, Hong Kong

24 April 2024

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR

- (1) GRANTING OF GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES;
 - (2) RE-ELECTION OF RETIRING DIRECTORS;
 - (3) PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION AND ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION;
- AND
- (4) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (i) the granting to the Directors of the Proposed Issue Mandate, the Proposed Repurchase Mandate and the Proposed Extension Mandate; (ii) the re-election of four retiring Directors and (iii) the Proposed Amendments to the existing Memorandum and Articles of Association and adoption of the Amended and Restated Memorandum and Articles of Association.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

In order to ensure greater flexibility for the Company to issue new Shares, an ordinary resolution numbered 4(A) will be proposed at the Annual General Meeting to grant to the Directors the Proposed Issue Mandate to exercise the powers of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued shares of the Company as at the date of the passing of the relevant resolution in relation to the Proposed Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 415,000,000 Shares. Subject to the passing of the ordinary resolution numbered 4(A) granting the Proposed Issue Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 83,000,000 Shares.

In addition, subject to a separate approval of the ordinary resolution numbered 4(C), the number of Shares purchased by the Company under the ordinary resolution numbered 4(B) granting the Proposed Repurchase Mandate, if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20% limit of the Proposed Issue Mandate as mentioned in the ordinary resolution numbered 4(A). The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Proposed Issue Mandate, other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the Share Option Scheme.

GENERAL MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution numbered 4(B) will be proposed at the Annual General Meeting to grant the Directors the Proposed Repurchase Mandate to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of issued shares of the Company as at the date of the passing of the relevant resolution in relation to the Proposed Repurchase Mandate.

An explanatory statement required by the Listing Rules in connection with the Proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consists of eight Directors, namely Dr. Zhou Jinhua, Mr. Guan Heng, Mr. Huang Junmou, Mr. Fan Weiguo, Mr. Yu Zida, Mr. Zhang Mingqun, Ms. Zou Guoying and Dr. Li Yao.

LETTER FROM THE BOARD

Pursuant to Article 16.2 of the Articles of Association, a Director appointed by the Board to fill a casual vacancy on the Board shall hold office until the first annual general meeting of the Company after his appointment and shall be eligible for re-election at that meeting. Dr. Li Yao (“**Dr. Li**”) who was appointed as an independent non-executive Director on 30 June 2023, shall retire at the Annual General Meeting and, being eligible, has offered himself for re-election as Director at the Annual General Meeting.

In accordance with Article 16.18 of the Articles of Association, Mr. Huang Junmou (“**Mr. Huang**”), Mr. Yu Zida (“**Mr. Yu**”) and Mr. Fan Weiguo (“**Mr. Fan**”) shall retire at the Annual General Meeting and, being eligible, have offered themselves for re-election as Directors at the Annual General Meeting.

Dr. Li, the retiring independent non-executive Director, has given a confirmation of his independence pursuant to the factors set out in Rule 3.13 of the Listing Rules. The Nomination Committee assessed and reviewed the independence of Dr. Li. The Nomination Committee and the Board are of the view that Dr. Li has satisfied all the criteria for independence set out in Rule 3.13 of the Listing Rules.

The Nomination Committee has reviewed the structure and composition of the Board, the respective experience, skills, knowledge and biographic details of the above-mentioned four Directors who have offered themselves for re-election with reference to the principles and criteria set out in the Company’s board diversity policy. Dr. Li and Mr. Huang (as members of the Nomination Committee) abstained from voting on the recommendation on their own re-election throughout the nomination process. The Nomination Committee recommended to the Board that the re-election of all of the four Directors be proposed for Shareholders’ approval at the Annual General Meeting.

Details of the above-mentioned Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules. The biography of the four Directors set out in Appendix I to this circular indicates how each individual contributes to the diversity of the Board and the perspectives skills and experience each individual can bring to the Board.

PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION AND ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 12 April 2024 in relation to, among other matters, the Proposed Amendments to the existing Memorandum and Articles of Association and adoption of the Amended and Restated Memorandum and Articles of Association.

In order to, among other things, update and bring the Memorandum and Articles of Association in line with the relevant amendments made to the Listing Rules in respect of the electronic dissemination of corporate communications by listed issuers (effective from 31 December, 2023), the Board proposed to seek the approval of the Shareholders by way of a special resolution at the Annual General Meeting to amend the Memorandum and Articles of Association by the deletion in their entirety and the substitution in their place of the Amended and Restated Memorandum and Articles of Association.

LETTER FROM THE BOARD

The full particulars of the Proposed Amendments brought about by the adoption of the Amended and Restated Memorandum and Articles of Association are set out in Appendix III to this circular. The Amended and Restated Memorandum and Articles of Association are written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the Amended and Restated Memorandum and Articles of Association is unofficial and for reference only. Should there be any discrepancy, the English version shall prevail.

The Company has been advised by its legal advisers as to Hong Kong laws and Cayman Islands laws that the Proposed Amendments conform to the requirements under the Listing Rules and the applicable laws of the Cayman Islands. The Company confirms that there is nothing unusual about the Proposed Amendments for a company listed on the Stock Exchange.

The proposed adoption of the Amended and Restated Memorandum and Articles of Association is subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting. After the Proposed Amendments come into effect, the full text of the Amended and Restated Memorandum and Articles of Association will be published on the websites of the Stock Exchange and the Company.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting, the transfer books and register of members of the Company will be closed from Tuesday, 18 June 2024 to Friday, 21 June 2024, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending and voting at the Annual General Meeting, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, 17 June 2024.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 21 to 26 of this circular is the notice of Annual General Meeting at which, inter alia, resolutions will be proposed to the Shareholders to consider and approve (i) the granting to the Directors of the Proposed Issue Mandate, the Proposed Repurchase Mandate and the Proposed Extension Mandate; (ii) the re-election of the four retiring Directors, and (iii) the Proposed Amendments to the existing Memorandum and Articles of Association and adoption of the Amended and Restated Memorandum and Articles of Association.

FORM OF PROXY

A form of proxy is enclosed with this circular for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ysdf.com.cn), respectively. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of

LETTER FROM THE BOARD

proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. before 10:30 a.m. on Wednesday, 19 June 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting at the Annual General Meeting or any adjournment thereof if they so wish and in such event, the form of proxy shall be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 13.6 of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, 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.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each Share registered in his/her name in the register of members of the Company. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same way.

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 Group. 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 Directors consider that the proposed resolutions for the granting to the Directors of the Proposed Issue Mandate, the Proposed Repurchase Mandate, the Proposed Extension Mandate, the re-election of the four retiring Directors and the adoption of the Amended and Restated Memorandum and Articles of Association are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By order of the Board
Yinsheng Digifavor Company Limited
Dr. Zhou Jinhuang
Chairman and Executive Director

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors has any interests in Shares within the meaning of Part XV of the Securities and Future Ordinance.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors holds any directorships in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors holds any other positions with the Group.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors has any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company.

As far as the Directors are aware, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

DIRECTOR CANDIDATES

Mr. Huang Junmou (黃俊謀), aged 57, our Honorary Chairman, has been an executive Director of the Company since 18 June 2014. He is a founder of the Group and has served as a director and chairman of the board of Shenzhen Niannianka Network Technology Co., Ltd. (深圳市年年卡網絡科技有限公司) (“**Shenzhen NNK**”) since its incorporation. He is responsible for overseeing the Group’s overall strategic planning and management. Mr. Huang has over 17 years of experience in information technology related industries, including over 15 years of experience in the mobile top-up service industry. Prior to founding Shenzhen NNK, he was the general manager of Shenzhen Motivity Telecom Co., Ltd. (深圳市原動力電訊有限公司), a company primarily engaging in the provision of information technology outsourcing services from June 2004 to May 2006, where he was responsible for business development. Mr. Huang was a shareholder and a director of Shenzhen Honglingyu Industrial Limited Company from May 2001 to May 2004, where he was responsible for strategic planning and management of the company. Prior to that, Mr. Huang was a shareholder and worked as a supervisor for Shenzhen Difulan Industrial Limited Company from May 1998 to May 2001, where he was responsible for administrative and financial management. Mr. Huang was an employee of the Shenzhen Post Office (深圳市郵電局) from September 1988 to August 1992, and an employee of Shenzhen Telecommunications Development Company (深圳市電信發展公司) from November 1992 to November 1995. Prior to that, Mr. Huang worked for Shenzhen Fengsheng International Textile and Fashion Company (深圳豐盛國際染織服裝有限公司) from October 1986 to October 1988. Mr. Huang is a director of Fun Charge Technology Limited (“**Fun Charge Technology**”), a substantial shareholder of the Company.

Mr. Huang has entered into a service contract with the Company for a fixed term of three years commencing from 1 January 2024 and will continue, subject to approval of the Shareholders in general meetings, until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. Mr. Huang is entitled to receive emoluments of RMB1,500,000 per annum as determined by the Board with recommendation made by the remuneration committee of the Company and reference to his qualifications, experience, duties and responsibilities, and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Huang was interested in 64,500,000 Shares of the Company.

Mr. Fan Weiguo (范衛國), aged 60, was first appointed to our Board as a non-executive Director on 28 October 2021 and his term of appointment ended on 10 February 2022. He was re-appointed as a non-executive Director on 17 March 2022. He is currently the president of Shenzhen City Commodity Exchange Market Federation* (深圳市商品交易市場聯合會). He served as the assistant to president, senior reporter and vice general manager of Economic Herald (經濟導報) from 1992 to 2008. Mr. Fan was the special assistant to the chairman of the board of China Resource And Transportation Group Limited (中國資源交通集團有限公司), a company listed on the Main Board of Stock Exchange (stock code: 0269), from 2009 to 2010. Between May 2011 and March 2013, he also held two positions at North Mining Shares Company Limited (北方礦業有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 0433), including the positions of executive director between May 2011 and May 2012, and non-executive director between May 2012 and March 2013. Mr. Fan was the executive director of Global Strategic Group Limited (環球戰略集團有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 8007), from 2014 to 2016. He was also the vice chairman of the board of Universal Television (環球電視台) from 2016 to 2019.

Mr. Fan graduated from International East-West University of United States of America with a master degree of business and administration. He is also a senior economists and senior planner qualified by the Ministry of Labor and Social Security of the People's Republic of China.

Mr. Fan has entered into a service contract with the Company for a fixed term of three years commencing from 17 March 2022 and will continue, subject to approval of the Shareholders in general meetings, until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. Mr. Fan is entitled to receive emoluments of HK\$300,000 per annum which was determined by the Board on the recommendation of remuneration committee with reference to his duties and responsibilities, remuneration benchmark in the industry as well as prevailing market conditions.

Mr. Yu Zida (喻子達), aged 59, has been a non-executive Director of the Company since 18 June 2014 and is responsible for overseeing the strategic development of our Group. Mr. Yu received a bachelor's degree in power engineering from Huazhong University of Science and Technology (華中科技大學) (formerly known as Huazhong College of Engineering (華中工學院)) in July 1985. He further obtained a master's degree in power engineering from Huazhong University of Science and Technology (華中科技大學) (formerly known as Huazhong Polytechnic University (華中理工大學)) in July 1988. He obtained a doctorate degree in management from Xi'an Jiaotong University in February 2006. He served as a vice president, a senior vice president, an executive vice president, chief technology officer and president of the digital and personal products group of the Haier Group. Mr. Yu is a National Young and Middle-aged Expert with Outstanding Contributions and a national-level talent of Shenzhen Municipality, who enjoys government subsidies from the State Council and has won the National Science and Technology Progress Award several times and served as the director of the State Key Laboratory of Digital Home Appliances. He is currently the president of Shenzhen Sinomaster Investment Group Co., Ltd. (深圳市神州通投資集團有限公司), a director of T&S Communications Co., Ltd. (深圳太辰光通信股份有限公司) (a company Listed on the Shenzhen Stock Exchange, stock code: 300570) and a non-independent director of Shenzhen Aisidi Co., Ltd. (深圳市愛施德股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002416).

Mr. Yu has entered into a service contract with the Company for a fixed term of three years commencing from 18 June 2023 and will continue, subject to approval of the Shareholders in general meetings, until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. Mr. Yu is entitled to receive emoluments of HK\$150,000 per annum which was determined by the Board on the recommendation of remuneration committee with reference to his duties and responsibilities, remuneration benchmark in the industry as well as prevailing market conditions.

Dr. Li Yao (李耀), aged 55, was appointed as an independent non-executive Director by the Board on 30 June 2023. Dr. Li has approximately 30 years of experience in the financial industry. Dr. Li served as Chief Executive Officer of a large sized China overseas investment fund and the Chairman of its Investment Committee, and as co-Chief Executive Officer of a wholly owned investment management company for one of China's leading insurance groups. Earlier in his career, Dr. Li worked at the head office of a top state-owned commercial bank, where he was responsible for the establishment and expansion of a multinational investment fund advisory business and a domestic investment banking business. In addition, Dr. Li received his bachelor's degree in Finance from China Nanjing University, his master's degree in Finance from Nankai University of China, and his doctorate degree in Economics from China Renmin University.

Dr. Li was a non-executive director of Aceso Life Science Group Limited (formerly known as Hao Tian Development Group Limited) (a company listed on the Stock Exchange, stock code: 474) between August 2020 and June 2021, and an independent non-executive director of VNET Group, Inc. (formerly known as 21Vianet Group, Inc.) (a company listed on NASDAQ, stock code: VNET) between May 2018 and August 2022. Dr. Li is currently an independent non-executive director of Bairong Inc. (a company listed on the Stock Exchange, stock code: 6608).

Dr. Li has entered into an appointment letter with the Company for a fixed term of three years commencing from 30 June 2023 and will continue, subject to approval of the Shareholders in general meetings, until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. Dr. Li is entitled to receive emoluments of HK\$150,000 per annum which was determined by the Board on the recommendation of remuneration committee with reference to his duties and responsibilities, remuneration benchmark in the industry as well as prevailing market conditions.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 415,000,000 Shares of nominal value of US\$0.01 each. Subject to the passing of the resolution granting of the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 41,500,000 Shares, representing 10% of the number of issued shares of the Company during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period with which the next annual general meeting of the Company is required to be held by any applicable laws or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS AND FUNDING OF REPURCHASES

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

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association and the Companies Act. The Companies Act provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Act. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the Companies Act.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the current prevailing market value, it may not have a material adverse impact on the working capital and the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Proposed Repurchase Mandate to repurchase Shares 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.

GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intends to sell any Shares to the Company or its subsidiaries, if the Proposed Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

No core connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Proposed Repurchase Mandate is approved by the Shareholders.

If as a result of a repurchase of Shares, 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. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Ms. Lam Ching Wan, the single largest Shareholder, was interested in approximately 28.77% of the issued share capital of the Company through Spring Harbour Development Limited. In the event that the Directors should exercise in full the Proposed Repurchase Mandate, the shareholding of Ms. Lam Ching Wan and Spring Harbour Development Limited in the Company will be increased to approximately 31.97% of the issued share capital of the Company. To the best knowledge and belief of the Directors, such increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to repurchase Shares to the extent that it will trigger the obligations under the Takeovers Code for Ms. Lam Ching Wan and Spring Harbour Development Limited to make a mandatory general offer.

Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Proposed Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital of the Company would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

The Company confirms that neither this explanatory statement nor the proposed share repurchase has any unusual features.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company during the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

Month	Highest traded prices <i>HK\$</i>	Lowest traded prices <i>HK\$</i>
2023		
April	1.41	0.90
May	1.80	1.22
June	1.76	1.34
July	2.24	1.37
August	2.37	1.82
September	2.64	1.86
October	2.60	2.33
November	2.44	2.12
December	2.45	2.15
2024		
January	2.24	2.07
February	3.02	2.33
March	2.63	2.22
April (up to the Latest Practicable Date)	2.52	2.21

The following are the Proposed Amendments to the existing Memorandum and Articles of Association, with the deletions shown in strikethrough and the additions or revisions shown in underline. Unless otherwise specified, clauses and articles referred to herein are clauses and articles of the Amended and Restated Memorandum and Articles of Association.

All capitalised terms in the Proposed Amendments contained in this Appendix are terms defined in the existing Memorandum and Articles of Association which shall have the corresponding meanings ascribed to them in the existing Memorandum and Articles of Association.

Existing Articles	Proposed Amendments to the Articles
<p>Article 2.2</p> <p>In these Articles, unless there be something in the subject or context inconsistent therewith:</p> <p>“Articles” shall mean these Articles of Association and all supplementary, amended or substituted Articles for the time being in force.</p> <p>“associate” shall have the meaning given to it in the Listing Rules.</p> <p>...</p>	<p>Article 2.2</p> <p>In these Articles, unless there be something in the subject or context inconsistent therewith:</p> <p>“Articles” shall mean these Articles of Association and all supplementary, amended or substituted Articles for the time being in force.</p> <p><u>“Actionable Corporate Communication”</u> shall have the meaning given to it in the Listing Rules.</p> <p>“associate” shall have the meaning given to it in the Listing Rules.</p> <p>...</p>
<p>Article 2.2</p> <p>...</p> <p>“Company’s Website” shall mean the website of the Company, the address or domain name of which has been notified to members.</p> <p>“Director” shall mean any director from time to time of the Company.</p> <p>...</p>	<p>Article 2.2</p> <p>...</p> <p>“Company’s Website” shall mean the website of the Company, the address or domain name of which has been notified to members.</p> <p><u>“Corporate Communication”</u> shall have the meaning given to it in the Listing Rules.</p> <p>“Director” shall mean any director from time to time of the Company.</p> <p>...</p>

Existing Articles	Proposed Amendments to the Articles
<p>Article 30.1</p> <p>Except as otherwise provided in these Articles, any notice or document may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website provided that the Company has obtained either (a) the member's prior express positive confirmation in writing or (b) the member's deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.</p>	<p>Article 30.1</p> <p><u>Except as otherwise provided in the Articles, any notice or document, including any Corporate Communication and Actionable Corporate Communication, may be served by the Company on any Member in any of the following manners to the extent permitted by, and in compliance with the requirements of, the Listing Rules:</u></p> <p>(a) <u>personally by leaving it at the registered address of such Member as appearing in the Register of Members;</u></p> <p>(b) <u>by sending it through the post in a prepaid letter addressed to such Member at their registered address as appearing in the Register of Members (which shall be sent by airmail where the notice or document is posted from one country to another);</u></p> <p>(c) <u>by Electronic Means by transmitting it to any electronic number or address or website supplied by the Member to the Company;</u></p> <p>(d) <u>by placing it on the Company's Website and the Exchange's website; or</u></p> <p>(e) <u>(in the case of notice) by advertisement published in the manner prescribed in the Listing Rules.</u></p> <p><u>In the case of joint holders of a Share, all notices shall be given to that holder for the time being whose name stands first in the Register of Members and notice so given shall be sufficient notice to all the joint holders.</u></p>

Existing Articles	Proposed Amendments to the Articles
	<p>Except as otherwise provided in these Articles, any notice or document may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website provided that the Company has obtained either (a) the member's prior express positive confirmation in writing or (b) the member's deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.</p>
<p>Article 30.4</p> <p>A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.</p>	<p>Article 30.4</p> <p><u>Any notice or document, including any Corporate Communication and Actionable Corporate Communication:</u></p> <p>A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.</p> <p><u>(a) delivered personally or left at a registered address otherwise than by post shall be deemed to have been served on the day it was so delivered or left;</u></p>

Existing Articles	Proposed Amendments to the Articles
	<p>(b) <u>sent by post shall be deemed to have been served on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into a post office; and in proving such service it shall be sufficient to prove that the envelope containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Directors that the envelope containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof;</u></p> <p>(c) <u>given by Electronic Means as provided in the Articles shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations, and it shall not be necessary for the receipt of the electronic transmission to be acknowledged by the recipient;</u></p> <p>(d) <u>served by being placed on the Company's Website and the Exchange's website shall be deemed to be served on the day it was so published or at such later time as may be prescribed by the Listing Rules; and</u></p> <p>(e) <u>served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspapers in which the advertisement is published (or on the last day of issue if the publication and/or newspapers are published on different dates).</u></p>

Existing Articles	Proposed Amendments to the Articles
<p>Article 30.5</p> <p>Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof.</p>	<p>Article 30.5</p> <p>Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof.</p>
<p>Article 30.6</p> <p>Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.</p>	<p>Article 30.6</p> <p>Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.</p>
<p>Article 30.7</p> <p>Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).</p>	<p>Article 30.7</p> <p>Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).</p>
<p>Article 30.8</p> <p>Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.</p>	<p>Article 30.8</p> <p>Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.</p>

Existing Articles	Proposed Amendments to the Articles
<p>Article 30.9</p> <p>A notice may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter addressed to him or them by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.</p>	<p>Article 30.9<u>30.5</u></p> <p>A notice may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member <u>in the same manner as other notices which are required to be given under the Articles and shall be</u> by sending it through the post in a prepaid letter addressed to him or them by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.</p>
<p>Article 30.10</p> <p>Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.</p>	<p>Article 30.10<u>30.6</u></p> <p>Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.</p>
<p>Article 30.11</p> <p>Any notice or document delivered or sent to any member in pursuance of these Articles, shall notwithstanding that such member be then deceased and whether or not the Company has notice of his death be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.</p>	<p>Article 30.11<u>30.7</u></p> <p>Any notice or document delivered or sent to any member in pursuance of these Articles, shall notwithstanding that such member be then deceased and whether or not the Company has notice of his death be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.</p>
<p>Article 30.12</p> <p>The signature to any notice to be given by the Company may be written or printed by means of facsimile or, where relevant, by Electronic Signature.</p>	<p>Article 30.12<u>30.8</u></p> <p>The signature to any notice to be given by the Company may be written or printed by means of facsimile or, where relevant, by Electronic Signature.</p>

NOTICE OF ANNUAL GENERAL MEETING

Yinsheng Digifavor Company Limited 銀盛數惠數字有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3773)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2024 Annual General Meeting (the “**AGM**”) of Yinsheng Digifavor Company Limited (the “**Company**”) will be held physically at conference room one, 13/F, Building C2, Nanshan iPark, No. 1001, Xueyuan Boulevard, Nanshan District, Shenzhen, the PRC on Friday, 21 June 2024 at 10:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Directors**”) and auditor of the Company for the year ended 31 December 2023.
2.
 - (a) To re-elect Mr. Huang Junmou as an executive Director;
 - (b) To re-elect Mr. Fan Weiguo as a non-executive Director;
 - (c) To re-elect Mr. Yu Zida as a non-executive Director;
 - (d) To re-elect Dr. Li Yao as an independent non-executive Director; and
 - (e) To authorize the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint Moore CPA Limited (formerly known as Moore Stephens CPA Limited) as the auditor of the Company and to authorize the Board to fix the remuneration of auditor.
4. To consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions:
 - (A) “**THAT:**
 - (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;

- (iii) the number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the share option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20 per cent of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly;

- (iv) for the purpose of this resolution:
 - (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
 - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

(b) “Rights Issue” means an offer of shares of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares of the Company whose name appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “**THAT:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange and, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to purchase its shares at a price determined by the Directors;
- (iii) the number of shares of the Company which are authorized to be purchased by the Directors pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) subject to the passing of each of the paragraphs (i) to (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) to (iii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

(v) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
- (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

(C) “**THAT** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition to the number of issued shares of the Company which may be allotted and issued by the Directors pursuant to such general mandate an amount representing the number of issued shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent of the number of issued shares of the Company as at the date of passing of the said resolutions.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

5. To consider and, if thought fit, pass the following resolution as a special resolution:

“**THAT:**

- (a) the proposed amendments (the “**Proposed Amendments**”) to the existing memorandum and articles of association of the Company, the details of which are set forth in Appendix III to the circular of the Company dated 24 April 2024, be and are hereby approved; and
- (b) the amended and restated memorandum and articles of association of the Company (the “**Amended and Restated Memorandum and Articles of Association**”), a copy of which has been produced to this meeting marked “A” and for identification purpose signed by the chairman of the meeting, be and is hereby approved and the adoption of the Amended and Restated Memorandum and Articles of Association in substitution in its entirety for and to the exclusion of the current memorandum and articles of association of the Company with immediate effect after the close of this meeting be approved and authorised and that the Directors and the registered office service provider of the Company be and are hereby authorized to attend to all necessary filing and do all things necessary to implement the adoption of the Amended and Restated Memorandum and Articles of Association.”

By order of the Board
Yinsheng Digifavor Company Limited
Dr. Zhou Jinhuang
Chairman and Executive Director

Hong Kong, 24 April 2024

Registered office:
PO Box 309, Ugland House,
Grand Cayman, KY1-1104,
Cayman Islands

*Headquarters and principal
place of business in the
PRC:*
13/F, Building C2
Nanshan iPark
No. 1001, Xueyuan Boulevard,
Nanshan District, Shenzhen,
PRC

*Principal place of business
in Hong Kong:*
40th Floor, Dah Sing
Financial Centre,
248 Queen’s Road East,
Wanchai, Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) The ordinary resolution numbered 4(C) above will be proposed to the shareholders for approval provided that the ordinary resolutions numbered 4(A) and 4(B) above are passed by the shareholders.
- (ii) Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or, if he/she is the holder of two or more shares, more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company.
- (iii) In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, shall be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the AGM (or any adjournment thereof). Completion and return of a form of proxy will not preclude a shareholder of the Company from attending and voting in person if he/she so wishes and in such event, the form of proxy shall be deemed to be revoked.
- (iv) A form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duly authorized to sign the same.
- (v) In the case of joint holders of any shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.
- (vi) On a poll, every shareholder present at the AGM shall be entitled to one vote for every fully paid-up share of which he/she is the holder. The result of such poll shall be deemed to be the resolution of the AGM at which the poll was so required or demanded.
- (vii) For determining the entitlement to attend and vote at the AGM, the transfer books and register of members of the Company will be closed from Tuesday, 18 June 2024 to Friday, 21 June 2024, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending and voting at the AGM, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 17 June 2024.
- (viii) In respect of the ordinary resolution numbered 2 above, Mr. Huang Junmou, Mr. Yu Zida, Mr. Fan Weiguo and Dr. Li Yao, being eligible, have offered themselves for re-election at the AGM. Details of the above four retiring Directors are set out in Appendix I to the accompanied circular of the Company dated 24 April 2024.
- (ix) In respect of the ordinary resolution numbered 4(A) above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company pursuant to such general mandate, other than shares which may fall to be allotted and issued upon the exercise of any options granted under the Share Options Scheme of the Company. Approval is being sought from the shareholders as a general mandate for the purposes of the Listing Rules.
- (x) In respect of ordinary resolution numbered 4(B) above, the Directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders. An explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular of the Company dated 24 April 2024.

As at the date of this notice, Dr. Zhou Jinhua, Mr. Guan Heng and Mr. Huang Junmou are the executive Directors; Mr. Fan Weiguo and Mr. Yu Zida are the non-executive Directors; and Mr. Zhang Mingqun, Ms. Zou Guoying and Dr. Li Yao are the independent non-executive Directors.