
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, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Harmony Auto Holding Limited, you should at once hand this circular, together with the enclosed 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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



HARMONY AUTO

和諧汽車

China Harmony Auto Holding Limited

中國和諧汽車控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03836)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-APPOINTMENT OF AUDITOR,
CLOSURE OF REGISTER OF MEMBERS
AND
NOTICE OF ANNUAL GENERAL MEETING**

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” of this circular. A notice convening the Annual General Meeting of China Harmony Auto Holding Limited to be held at Caine Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 18 June 2024 at 10:00 a.m. is set out on pages 19 to 24 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 Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.hexieauto.com>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. not later than 10:00 a.m. on Friday, 14 June 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof (as the case may be) if they so wish and in such event, the form of proxy shall be deemed to be revoked. For the avoidance of doubt and for the purpose of the Listing Rules, holders of treasury Shares, if any, shall abstain from voting at the Company’s general meeting.

CONTENTS

	<i>Page</i>
Definition	1
Letter from The Board	4
1. Introduction.....	5
2. Proposed Re-election of Retiring Directors	5
3. Proposed Granting of General Mandate to Repurchase Shares	5
4. Proposed Granting of General Mandate to Issue Shares	6
5. Proposed Re-appointment of Auditor.....	7
6. Annual General Meeting and Proxy Arrangement.....	7
7. Closure of Register of Members	8
8. Responsibility Statement	8
9. General Information.....	8
10. Recommendation	9
Appendix I — Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting	10
Appendix II — Explanatory Statement on the Share Buy-back Mandate	15
Notice of Annual General Meeting	19

DEFINITION

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Caine Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 18 June 2024, at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 19 to 24 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Cayman Companies Act”	Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“CCASS”	the Central Clearing and Settlement System, a securities settlement system established and operated by the HKSCC
“China” or “PRC”	the People’s Republic of China and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Company”	China Harmony Auto Holding Limited (stock code: 3836), an exempted company with limited liability incorporated under the laws of the Cayman Islands on 24 September 2012, the Shares of which are listed on the Main Board of the Stock Exchange on 13 June 2013
“Director(s)”	the director(s) of the Company
“Group”	the Company and all of its subsidiaries

DEFINITION

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue or deal with additional Shares (including any sale or transfer of Shares out of treasury that are held as treasury Shares, if any) of not exceeding 20% of the total number of issued Shares (excluding any treasury Shares, if any) as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 19 to 24 of this circular
“Latest Practicable Date”	22 May 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Board
“Register”	the register of members of the Company
“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time

DEFINITION

“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares (excluding any treasury Shares, if any) as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 19 to 24 of this circular
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission as amended, supplemented or otherwise modified from time to time
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on 11 June 2024
“%”	per cent

LETTER FROM THE BOARD



HARMONY AUTO

和諧汽車

China Harmony Auto Holding Limited

中國和諧汽車控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03836)

Executive Directors:

Mr. FENG Changge (*Chairman*)
Mr. FENG Shaolun (*Deputy-president*)
Mr. LIU Fenglei (*President*)
Ms. MA Lintao (*Vice-president*)
Mr. CHENG Junqiang (*Vice-president*)

Independent Non-executive Directors:

Mr. WANG Nengguang
Mr. LAU Kwok Fan
Mr. CHAN Ying Lung
Mr. SUNG Ka Woon

Registered Office:

Third Floor, Century Yard
Cricket Square
P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

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

15A, Tower A, World Trade Center Building
Shangwunehuan Road
CBD Zhengdong New District
Zhengzhou, Henan Province
PRC

Principal Place of Business in Hong Kong:

5/F, Manulife Place
348 Kwun Tong Road Kowloon
Hong Kong

27 May 2024

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE SHARES,
RE-APPOINTMENT OF AUDITOR,
CLOSURE OF REGISTER OF MEMBERS
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting.

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. FENG Changge, Mr. FENG Shaolun, Mr. LIU Fenglei, Ms. MA Lintao and Mr. CHENG Junqiang; and the independent non-executive Directors are Mr. WANG Nengguang, Mr. LAU Kwok Fan, Mr. CHAN Ying Lung and Mr. SUNG Ka Woon. Pursuant to Article 84 of the Articles of Association, Mr. LIU Fenglei and Ms. MA Lintao, being the executive Directors, Mr. WANG Nengguang, being the independent non-executive Director, will retire by rotation at the Annual General Meeting.

All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting. The Nomination Committee and the Board have reviewed the overall contribution and service to the Company of Mr. LIU Fenglei, Ms. MA Lintao and Mr. WANG Nengguang (the “**Retiring Directors**”) and their level of participation and performance on the Board. Given their respective education background, in-depth experience and practice which allow them to provide valuable and relevant insights and contribute to the diversity of the Board, the Board believes that the re-election of each of the Retiring Directors as a Director is in the interests of the Company and the Shareholders, and therefore recommends the Shareholders to re-elect each of them as a Director at the Annual General Meeting.

The Nomination Committee has assessed and reviewed the independent non-executive Director’s, namely, Mr. WANG Nengguang’s, annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. During Mr. WANG tenure as the independent non-executive Director, he has not been involved in the daily management of the Company and in any relationship or circumstances which would materially interfere with his exercise of independent judgement. The Nomination Committee and the Board have assessed the independence of Mr. WANG and is satisfied that Mr. WANG has the required character, integrity and experience to continue fulfilling the role of an independent non-executive Director and consider him to be independent. Details of the Retiring Directors are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 13 June 2023, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to

LETTER FROM THE BOARD

approve the granting of the Share Buy-back Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares (excluding any treasury Shares, if any) as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 19 to 24 of this circular (i.e. a total of 152,472,517 Shares, based on 1,524,725,177 Shares in issue as at the Latest Practicable Date and assuming that the issued share capital of the Company remains unchanged from the Latest Practicable Date to the date of the Annual General Meeting).

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Buy-back Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 13 June 2023, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares (including any sale or transfer of treasury Shares, if any) if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares (including any sale or transfer of treasury Shares out of treasury, if any) of not exceeding 20% of the total number of issued Shares (excluding any treasury Shares, if any) as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 19 to 24 of this circular (i.e. a total of 304,945,035 Shares, based on 1,524,725,177 Shares in issue as at the Latest Practicable Date and assuming that the issued share capital of the Company remains unchanged from the Latest Practicable Date to the date of the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares (including to sell or transfer any treasury Shares out of the treasury, if any) pursuant to the Issuance Mandate.

LETTER FROM THE BOARD

If approved by the Shareholders at the Annual General Meeting, the Issuance Mandate will continue in force until the earlier of (i) the conclusion of the next annual general meeting of the Company following the passing of the resolution referred to herein; (ii) 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 to be held; or (iii) the revocation or variation of the Issuance Mandate by an ordinary resolution of the Shareholders in general meeting.

5. PROPOSED RE-APPOINTMENT OF AUDITOR

The financial statements of the Group for the year ended 31 December 2023 were audited by ZHONGHUI ANDA CPA LIMITED whose term of office will expire upon the conclusion of the Annual General Meeting.

Following the recommendation of the Audit Committee, the Board proposed to re-appoint ZHONGHUI ANDA CPA LIMITED as the auditor of the Company with a term expiring upon the next annual general meeting of the Company; and the Board proposed it be authorized to fix the remuneration of the auditor. An ordinary resolution in respect of the re-appointment of the auditor of the Company will be proposed at the Annual General Meeting for consideration and approval by the Shareholders and to authorise the Board to fix their remuneration for the year ending 31 December 2024.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 19 to 24 of this circular.

There is no Shareholder who has any material interest in the proposed resolutions, therefore none of the Shareholders are required to abstain from voting at the Annual General Meeting. Separately, holders of treasury Shares (if any) shall abstain from voting on matters that require Shareholders' approval at the Company's general meetings.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.hexieauto.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon

LETTER FROM THE BOARD

and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 10:00 a.m. on Friday, 14 June 2024) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish and in such event, the form of proxy shall be deemed to be revoked.

7. CLOSURE OF REGISTER OF MEMBERS

The Register will be closed from Thursday, 13 June 2024 to Tuesday, 18 June 2024 (both days inclusive) for determining the entitlement of the Shareholders to attend and vote at the Annual General Meeting, during which period no transfer of Shares will be effected.

Shareholders are reminded that in order to be eligible to attend and vote at the Annual General Meeting, all transfers of Shares must be duly completed, accompanied by the relevant share certificates and lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 12 June 2024.

8. RESPONSIBILITY STATEMENT

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

9. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Details of the Retiring Directors Proposed to the Re-elected at the Annual General Meeting) and Appendix II (Explanatory Statement on the Share Buy-back Mandate).

LETTER FROM THE BOARD

10. RECOMMENDATION

The Directors consider that the proposed resolutions set out in the AGM Notice are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,

For and on behalf of the Board

China Harmony Auto Holding Limited

FENG Changge

Chairman and Executive Director

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

(1) Mr. LIU Fenglei, aged 48, Executive Director

Position and Experience

Mr. LIU Fenglei (“**Mr. LIU**”), was appointed as an executive Director, president and chief executive officer of the Company on 19 October 2015. He is currently a member of the Remuneration Committee of the Company. Mr. LIU is one of the founders of the Group. He has approximately 19 years’ experience in China’s automobile industry. He obtained a Bachelor degree of commercial English from Zhengzhou University (鄭州大學) in 1998. He joined the Group in February 2003 and worked at Henan Zhongdebao Automobile Sales & Service Co., Ltd. (河南中德寶汽車銷售服務有限公司) as the assistant to the chairman of the board of directors. From August 2006 to April 2013, he was the general manager of Zhengzhou Yuanda Lexus Automobile Sales & Services Co., Ltd. (鄭州遠達雷克薩斯汽車銷售服務有限公司). From April 2013 to October 2015, he was the senior vice president of the Company in charge of the Group’s network development and luxury passenger vehicles’ business.

Save as disclosed above, Mr. LIU has not served as a director of any other companies listed on any securities market in Hong Kong or overseas and does not hold any other positions in the Company and other members of the Group over the past three years.

Length of service

Mr. LIU has entered into a service agreement with the Company, with a term of three years from 19 October 2021 and shall be subject to retirement and re-election at an annual general meeting of the Company at least once every 3 years pursuant to the Articles of Association.

Relationship

Mr. LIU does not have any relationship with any Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules) of the Company.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Interests in Shares

As at the Latest Practicable Date, Mr. LIU was interested in 3,278,587 Shares pursuant to Part XV of the SFO. For details, please refer to the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” of the annual report 2023 of the Company.

Director’s emoluments

The remuneration of Mr. LIU will be determined with reference to his relevant duties and responsibilities in the Company, his relevant experience and the prevailing market condition. The total remuneration of Mr. LIU for the year ended 31 December 2023 was approximately RMB706,000.

Other information and matters that need to be disclosed and brought to the attention of the Shareholders

Save for the information disclosed above, there is no information which is disclosable nor is Mr. LIU involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules and there are no other matters concerning Mr. LIU that need to be brought to the attention of the Shareholders.

(2) Ms. MA Lintao, aged 56, Executive Director

Position and Experience

Ms. MA Lintao (“Ms. MA”) was appointed as an executive Director on 31 January 2013 and is currently a vice-president of the Company. She is responsible for the Group’s overall administrative matters and public relationships. Ms. MA graduated from Henan Institute of Finance and Economics (河南財經學院) (now known as Henan University of Economics and Law (河南財經政法大學)) with a bachelor’s degree in national economic planning and statistics in June 1992. From July 1992 to December 2003, Ms. MA worked in China Construction Bank Henan branch (中國建設銀行河南分行) in various positions such as director of the credit approval committee of the Zhengzhou branch office and vice-president of the Zhengzhou futures branch office, where she was responsible for matters such as credit assessment and approval and public and retail sales. Ms. MA joined our Group in September 2006 as the chairlady of Yuanda Lexus, our wholly-owned subsidiary.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as disclosed above, Ms. MA has not served as a director of any other companies listed on any securities market in Hong Kong or overseas and does not hold any other positions in the Company and other members of the Group over the past three years.

Length of service

Ms. MA has entered into a service agreement with the Company, with a term of three years from 31 January 2019 and shall be subject to retirement and re-election at an annual general meeting of the Company at least once every 3 years pursuant to the Articles of Association.

Relationship

Ms. MA is the wife of Mr. FENG Changge, an executive Director and the chairman of the Board and a controlling Shareholder (as defined in the Listing Rules); and the mother of Mr. FENG Shaolun, the executive Director and deputy chairman of the Board of the Group. Mr. FENG Changge is also the sole shareholder and sole director of Eagle Seeker Company Limited, a controlling Shareholder (as defined in the Listing Rules). Save as disclosed, Ms. MA has no other relationship (including financial, business, family or other material/relevant relationship(s)) with any other Directors, senior management, substantial and controlling Shareholders (as defined in the Listing Rules).

Interests in Shares

Pursuant to Part XV of the SFO, as at the Latest Practicable Date, Ms. MA was interested in 710,864,660 Shares. For details, please refer to the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” of the annual report 2023 of the Company.

Director’s emoluments

The remuneration of Ms. MA will be determined with reference to her relevant duties and responsibilities in the Company, her relevant experience and the prevailing market condition. The total remuneration of Ms. MA for the year ended 31 December 2023 was approximately RMB1,826,000.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Other information and matters that need to be disclosed and brought to the attention of the Shareholders

Save for the information disclosed above, there is no information which is disclosable nor is Ms. MA involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules and there are no other matters concerning Ms. MA that need to be brought to the attention of the Shareholders.

(3) Mr. WANG Nengguang, aged 65, Independent Non-executive Director

Position and Experience

Mr. WANG Nengguang (“**Mr. WANG**”) was appointed as an independent non-executive Director, the chairman of the Audit Committee and a member of the Nomination Committee on 4 February 2019. Mr. WANG graduated from Party School of the Central Committee of C.P.C. (中共中央黨校) with a master’s degree in economic management in July 2001. He is qualified as a senior accountant and a certified public accountant. From August 1991 to July 1992, he served as financial manager of China Record (Shenzhen) Co., Ltd. of Ministry of Broadcasting and Television (廣電部中唱深圳公司). From April 1994 to March 2001, he served as general manager of the financial department of Lenovo Group Limited (聯想集團), a company listed on the Stock Exchange (stock code: 992). From April 2001 to December 2003, he served as managing director and chief financial officer of Legend Capital Limited (聯想投資有限公司). From January 2004 to February 2012, he served as managing director and chief financial officer of Beijing Legend Investment Advisor Co., Ltd. (北京聯想投資顧問有限公司). From September 2012 to November 2015, he served as a non-executive Director. From April 2001 to March 2018, he served as managing director and chief financial officer of Beijing Legend Capital Management Co., Ltd. (北京君聯資本管理有限公司). From April 2018, he served as a director of Beijing Legend Capital Management Co., Ltd. (北京君聯資本管理有限公司). From May 2014 to May 2020, he served as an independent director of Digital China Information Service Company Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 000555). Since September 2021, he served as an independent director of Guangdong Guanhao High-Tech Co., Ltd. (listed on the Shanghai Stock Exchange (stock code: 600433)). Since February 2022, he served as an independent director of Digital China Group Co., Ltd. (listed on the Shenzhen Stock Exchange (stock code: 000034)).

Save as disclosed above, Mr. WANG has not served as a director of any other companies listed on any securities market in Hong Kong or overseas and does not hold any other positions in the Company and other members of the Group over the past three years.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE
RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Length of service

Mr. WANG was appointed as an independent non-executive Director on 4 February 2019, and entered into a service agreement with the Company, with an initial term of three years from 4 February 2019, and shall be subject to retirement by rotation and re-election at the annual general meeting of the Company at least once every 3 years pursuant to the Articles of Association.

Relationship

Mr. WANG does not have any relationship with any Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules).

Interests in Shares

Pursuant to Part XV of the SFO, as at the Latest Practicable Date, Mr. WANG was interested in 40,000 Shares. For details, please refer to the section headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” of the annual report 2023 of the Company.

Director’s emoluments

The remuneration of Mr. WANG will be determined with reference to his relevant duties and responsibilities in the Company, his relevant experience and the prevailing market condition. The total remuneration of Mr. WANG for the year ended 31 December 2023 was approximately RMB272,000.

Other information and matters that need to be disclosed and brought to the attention of the Shareholders

Save for the information disclosed above, there is no information which is disclosable nor is Mr. WANG involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules and there are no other matters concerning Mr. WANG that need to be brought to the attention of the Shareholders.

APPENDIX II EXPLANATORY STATEMENT ON THE SHARE BUY-BACK MANDATE

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Buy-back Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,524,725,177 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 1,524,725,177 Shares, the Directors would be authorized under the Share Buy-back Mandate to repurchase, during the period in which the Share Buy-back Mandate remains in force, a total of 152,472,517 Shares, representing 10% of the total number of Shares in issue (excluding any treasury Shares, if any) as at the date of the Annual General Meeting.

2. REASONS FOR SHARE BUY-BACK

The Directors believe that the granting of the Share Buy-back Mandate is in the best interests of the Company and the Shareholders.

Shares buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

3. FUNDING OF SHARE BUY-BACK

The company may only apply funds legally available for share buy-back in accordance with its Articles of Association, the laws of Cayman Islands and/or any other applicable laws, as the case may be. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange.

4. IMPACT OF SHARE BUY-BACK

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2023) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back 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.

5. MARKET PRICES OF SHARES

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

Month	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
May 2023	0.94	0.86
June 2023	0.98	0.86
July 2023	0.88	0.70
August 2023	0.88	0.73
September 2023	0.85	0.61
October 2023	0.77	0.66
November 2023	0.72	0.64
December 2023	0.70	0.48
January 2024	0.58	0.48
February 2024	0.71	0.49
March 2024	0.67	0.52
April 2024	0.60	0.50
May 2024 (up to the Latest Practicable Date)	0.57	0.50

6. GENERAL

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

APPENDIX II EXPLANATORY STATEMENT ON THE SHARE BUY-BACK MANDATE

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

The Directors have no present intention to exercise the Share Buy-back Mandate to an extent which will result in the number of the Shares held by the public being reduced to less than 25% of the total issued share capital of the Company as required under Rule 8.08 of the Listing Rules.

The Directors will exercise the power of the Company to repurchase Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

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

The Company may cancel such repurchased Shares or hold them as treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases. Shareholders and potential investors of the Company should pay attention to any announcement to be published by the Company in the future, including but without limitation, any next day disclosure return and any relevant monthly return.

For any treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares.

7. TAKEOVERS CODE

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

APPENDIX II EXPLANATORY STATEMENT ON THE SHARE BUY-BACK MANDATE

To the best knowledge of the Company, as at the Latest Practicable Date, Mr. FENG Change, the controlling Shareholder (as defined in the Listing Rules), was interested and deemed to be interested in an aggregate of 710,864,660 Shares representing approximately 46.62% of the total issued share capital of the Company. Such 710,864,660 Shares comprised of 2,500,000 Shares (representing approximately 0.16% of the total issued share capital of the Company) held by himself directly as beneficial owner and 708,364,660 Shares (representing approximately 46.46% of the total issued share capital of the Company) held by Eagle Seeker Company Limited. Mr. FENG is a director of Eagle Seeker Company Limited. Mr. FENG is also the trusts founder of Cititrust Private Trust (Cayman) Limited, which indirectly holds Eagle Seeker Company Limited through Eagle Pioneer Company Limited. On the other hand, Ms. MA Lintao is Mr. FENG Change's spouse and is therefore deemed to be interested in all the Shares in which Mr. FENG Change is interested in, which was 710,864,660 Shares representing approximately 46.62% of the total issued share capital of the Company as at the Latest Practicable Date. Mr. FENG Shaolun, being the beneficiary, was deemed to be interested in the said 708,364,660 Shares by virtue of Eagle Seeker being held indirectly by Cititrust Private Trust (Cayman) Limited through Eagle Pioneer Company Limited. He was interested in 708,364,660 Shares representing approximately 46.46% of the total issued share capital of the Company as at the Latest Practicable Date. In the event that the Directors exercise the proposed Share Buy-back Mandate in full, the aggregate shareholding of Mr. FENG Change, Ms. Ma Lintao and Mr. FENG Shaolun would be increased to approximately 51.80%, 51.80% and 51.62% of the issued share capital of the Company, respectively.

The Directors consider that such increase in shareholding would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Share Buy-back Mandate. The Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

8. SHARE BUY-BACK MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company had not bought back any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



HARMONY AUTO

和諧汽車

China Harmony Auto Holding Limited

中國和諧汽車控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03836)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of China Harmony Auto Holding Limited (the “**Company**”) will be held at Caine Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 18 June 2024 at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and independent auditor for the year ended 31 December 2023.
2. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. LIU Fenglei as an executive director;
 - (b) to re-elect Ms. MA Lintao as an executive director;
 - (c) to re-elect Mr. WANG Nengguang as an independent non-executive director; and
 - (d) to authorize the Board to fix the respective directors’ remuneration.
3. To re-appoint ZHONGHUI ANDA CPA LIMITED as the auditor for the year ending 31 December 2024 and to authorize the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company (the “**Shares**”) to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued Shares (excluding any treasury Shares, which shall have the meaning ascribed to it under the Listing Rules coming into effect on 11 June 2024), if any) as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of Shares is conducted, the maximum number of Shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the Directors during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company (including any sale or transfer of treasury Shares out of treasury, if any) and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company;
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company; and
 - (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any securities of the Company which carry the right to subscribe or are convertible into Shares,

NOTICE OF ANNUAL GENERAL MEETING

shall not exceed 20% of the total number of issued Shares (excluding any treasury Shares, if any) as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of Shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

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

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of Shares which may be allotted and issued (including any sale or transfer of treasury Shares out of treasury, if any) or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of the number of Shares repurchased by the Company pursuant to the mandate

NOTICE OF ANNUAL GENERAL MEETING

referred to in resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of the total number of issued Shares (excluding any treasury Shares, if any) as at the date of passing of this resolution.”

By Order of the Board
China Harmony Auto Holding Limited
FENG Changge
Chairman and Executive Director

Zhengzhou, PRC
27 May 2024

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). For the avoidance of doubt and for the purpose of the Listing Rules, holders of treasury shares of the Company (if any) are not entitled to vote at this meeting. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy/more than one proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her/it.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for the above meeting (i.e. not later than 10:00 a.m. on Friday, 14 June 2024) or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Thursday, 13 June 2024, to Tuesday, 18 June 2024 (both days inclusive), during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the annual general meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 12 June 2024. In the event that the meeting is adjourned to a date later than Tuesday, 18 June 2024 due to bad weather conditions or other reasons, the period of closure of the Register of Members of the Company for determination of shareholders’ entitlement to attend and vote at the above meeting will remain the same as stated above.

4. References to dates and time in this notice are to Hong Kong dates and time.

NOTICE OF ANNUAL GENERAL MEETING

5. The Chinese translation of this notice is for reference only and in case of any inconsistency, the English version shall prevail.

As at the date of this notice, the executive Directors of the Company are Mr. FENG Changge, Mr. FENG Shaolun, Mr. LIU Fenglei, Ms. MA Lintao and Mr. CHENG Junqiang; and the independent non-executive Directors of the Company are Mr. WANG Nengguang, Mr. LAU Kwok Fan, Mr. CHAN Ying Lung and Mr. SUNG Ka Woon.