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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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**Yincheng Life Service CO., Ltd.**

**銀城生活服務有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1922)**

**NOTICE OF ANNUAL GENERAL MEETING  
AND  
PROPOSALS FOR DECLARATION OF FINAL DIVIDEND,  
RE-ELECTION OF DIRECTORS  
AND  
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES**

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A notice convening the AGM of Yincheng Life Service CO., Ltd. to be held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Friday, 28 May 2021, at 9 a.m., at which, among other things, the above proposals will be considered, is set out on pages 8 to 12 of this circular.

Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

22 April 2021

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## **RESPONSIBILITY STATEMENT**

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

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Friday, 28 May 2021 at 9 a.m., notice of which is set out on pages 8 to 12 of this circular and any adjournment thereof
“Articles”	the articles of association of the Company (as amended from time to time)
“associates”	has the meaning as defined under the Listing Rules
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, which for the sole purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules, and unless the context requires otherwise, means Mr. Huang, Silver Huang Holding Limited and Silver Wutong Holding Limited collectively
“Companies Law”	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Yincheng Life Service CO., Ltd., an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1922)
“Director(s)”	the director(s) of the Company

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## DEFINITIONS

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“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares of up to 20% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate and adding thereto any Shares representing the aggregate number of Shares repurchased by the Company pursuant to the authority granted under the Repurchase Mandate
“Latest Practicable Date”	15 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Huang”	Mr. Huang Qingping (黃清平), a non-executive Director and one of the Controlling Shareholders
“Repurchase Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares of up to 10% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) with nominal value of HK\$0.01 each in the share capital of the Company, which are traded in Hong Kong dollars and listed on the Main Board of the Stock Exchange

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## DEFINITIONS

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

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## LETTER FROM THE BOARD

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**Yincheng Life Service CO., Ltd.**  
**銀城生活服務有限公司**  
(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 1922)

*Executive Directors:*

Li Chunling  
Huang Xuemei

*Non-executive Directors:*

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

*Independent non-executive Directors:*

Chow Siu Hang  
Li Yougen  
Mao Ning

*Registered office:*

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

*Principal place of business*

*in Hong Kong:*

Room 4502, 45/F  
Far East Finance Centre  
16 Harcourt Road  
Admiralty  
Hong Kong

22 April 2021

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR DECLARATION OF FINAL DIVIDEND,  
RE-ELECTION OF DIRECTORS  
AND  
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES**

**INTRODUCTION**

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

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## LETTER FROM THE BOARD

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### DECLARATION OF FINAL DIVIDEND

According to the announcement of the Company dated 22 March 2021, the Board recommended the payment of final dividend of HK\$0.92 per ten ordinary shares for the year ended 31 December 2020. The final dividend is subject to the approval by the Shareholders at the AGM and is expected to be paid on or about 19 July 2021 to the Shareholders whose names appear on the register of members of the Company on Thursday, 10 June 2021.

### RE-ELECTION OF DIRECTORS

In accordance with Article 108(a) of the Articles, Ms. Huang Xuemei, Mr. Xie Chenguang, Mr. Ma Baohua and Mr. Zhu Li will retire and, being eligible, offer themselves for re-election at the AGM.

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

### GENERAL MANDATES

At the annual general meeting of the Company held on 29 May 2020, ordinary resolutions were passed to grant the Directors (i) a general unconditional mandate to allot, issue and deal in Shares not exceeding 20% of the aggregate number of Shares of the Company in issue at the date of the passing of the relevant resolution; (ii) a general unconditional mandate to repurchase Shares up to 10% of the aggregate number of Shares of the Company in issue at the date of the passing of the relevant resolution; and (iii) to extend the general mandate mentioned in (i) above by the addition of an amount representing the aggregate number of Shares of the Company repurchased by the Company pursuant to the mandate to repurchase Shares referred to (ii) above.

The above general mandates will continue to be in force until (i) the conclusion of the AGM; or (ii) the date by which the AGM is required to be held by the Articles or any applicable law(s); or (iii) the revocation or variation by ordinary resolution of the Shareholders in general meeting, whichever occurs first. It is therefore proposed to seek your approval by way of ordinary resolutions to be proposed at the AGM to approve the Issue Mandate and the Repurchase Mandate. The Directors wish to state that they have no immediate plan to issue any Shares or repurchase any Shares pursuant thereto. Please refer to resolutions numbered 5 to 7 set out in the notice of AGM on pages 8 to 12 of this circular for details of the proposed Issue Mandate and Repurchase Mandate.

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



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## LETTER FROM THE BOARD

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### EXPLANATORY STATEMENT

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

### ANNUAL GENERAL MEETING

Set out on pages 8 to 12 of this circular is a notice convening the AGM to consider and, if appropriate, to approve, among others, the ordinary resolutions relating to the proposals for the granting of the Issue Mandate and the Repurchase Mandate and re-election of Directors.

A form of proxy for use at the AGM is enclosed herewith. If you are not able to attend and/or vote at the AGM in person, you are requested to complete the form of proxy and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

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

### RECOMMENDATION

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

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## LETTER FROM THE BOARD

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### GENERAL

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

### MISCELLANEOUS

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

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

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## NOTICE OF ANNUAL GENERAL MEETING

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**Yincheng Life Service CO., Ltd.**

**銀城生活服務有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1922)**

**NOTICE IS HEREBY GIVEN THAT** an Annual General Meeting of Yincheng Life Service CO., Ltd. (the “Company”) will be held at 21/F, Block A Yincheng Plaza, 289 Jiangdong Avenue North, Gulou District, Nanjing, Jiangsu Province, China on Friday, 28 May 2021 at 9 a.m. to transact the following businesses:

1. To receive and consider the audited Financial Statements, the Reports of the Directors and the Independent Auditor for the year ended 31 December 2020.
2. To declare a final dividend.
3.
  - (i) To re-elect Ms. Huang Xuemei as a Director.
  - (ii) To re-elect Mr. Xie Chenguang as a Director.
  - (iii) To re-elect Mr. Ma Baohua as a Director.
  - (iv) To re-elect Mr. Zhu Li as a Director.
  - (v) To authorise the Board of Directors to fix the remuneration of the Directors.
4. To re-appoint Ernst & Young as Auditor and to authorise the Board of Directors to fix its remuneration.
5. **“THAT:**
  - (a) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the share capital of the Company (the “Shares”), and to make or grant offers, agreements and options and warrants or similar rights to subscribe for Shares or bonds and debentures or other securities convertible into Shares which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options and warrants or similar rights to subscribe for Shares or bonds and debentures or other securities convertible into Shares which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company, shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly;
- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; or
  - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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

6. **“THAT:**

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

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## NOTICE OF ANNUAL GENERAL MEETING

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- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; or
  - (iii) the date on which such mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”
- 7. “**THAT** conditional upon resolutions numbered 5 and 6 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional Shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution numbered 5 above be and is hereby extended by the additional thereto of an amount representing the aggregate number of Shares repurchased by the Company under the authority granted pursuant to resolution numbered 6 above, provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing the resolution.”

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

Hong Kong, 22 April 2021

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. For the purpose of determining the identity of the shareholders entitled to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 25 May 2021 to Friday, 28 May 2021, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's 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, 24 May 2021.

For the purpose of determining the shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Monday, 7 June 2021 to Thursday, 10 June 2021, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company's 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 Friday, 4 June 2021.

2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.
4. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorised, and must be deposited with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the meeting.
5. With respect to resolution numbered 3 of this notice, Ms. Huang Xuemei, Mr. Xie Chenguang, Mr. Ma Baohua and Mr. Zhu Li shall retire from office of directorship and shall offer themselves for re-election in accordance with the Articles of Association of the Company. Details of their information which are required to be disclosed under the Listing Rules are set out in the circular of the Company dated 22 April 2021.
6. As at the date of this notice, the executive directors of the Company are Mr. Li Chunling and Ms. Huang Xuemei; the non-executive directors of the Company are Mr. Huang Qingping, Mr. Xie Chenguang, Mr. Ma Baohua and Mr. Zhu Li; and the independent non-executive directors of the Company are Mr. Chow Siu Hang, Mr. Li Yougen and Mr. Mao Ning.

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

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

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

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

**Ms. Huang Xuemei**, aged 52, is an executive Director, the vice president and the chief financial officer of the Company. She is primarily responsible for the overall administration, audit supervision and the public building department of the Group. Ms. Huang joined the Group in December 2004. She was appointed as a Director on 13 June 2019 and was re-designated as an executive Director on 18 June 2019.

Ms. Huang received her diploma in business administration under the Jiangsu Province Higher Education Self-study Examination\* from the Nanjing University in the PRC in June 1989, and obtained her qualification as an intermediate accountant from the Ministry of Finance of the People's Republic of China in May 1999. She then completed her Executive Master of Business Administration (EMBA) course in Nanjing University Business School in the PRC in October 2018. She has more than 30 years of experience in financial management and accounting.

Ms. Huang has signed a service agreement with the Company for a term of three years, with effect from 6 November 2019. Under the service contract, Ms. Huang is entitled to a director's remuneration of RMB570,000 per annum and discretionary bonus as determined by the Board. Ms. Huang's appointment is subject to the provisions of retirement and rotation of directors under the Articles and the applicable Listing Rules.



As at the Latest Practicable Date, Ms. Huang is interested in (i) 1,335,760 Shares held by Silver Xuemei Holding Limited, a company beneficially and wholly-owned by Ms. Huang and (ii) 20,000 Shares personally held, within the meaning of Part XV of the SFO.

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

**Mr. Xie Chenguang**, aged 58, is the chairman of the Board and a non-executive Director. He is primarily responsible for the formulation and provision of guidance and development strategies for the overall development of the Group. Mr. Xie joined the Group in December 1998. He was appointed as a Director on 13 June 2019 and was re-designated as a non-executive Director on 18 June 2019. Mr. Xie is currently also a non-executive director of Yincheng International Holding Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 1902).

Mr. Xie obtained a diploma in industrial and civil engineering from Nanjing Jinling Vocational University in the PRC in August 1983. He obtained professional qualification as a senior engineer in November 2000. He then obtained Executive Master of Business Administration (EMBA) degree from China Europe International Business School in the PRC in September 2007. He has more than 30 years of experience in the engineering and real estate industry in the PRC.

Mr. Xie has signed an appointment letter with the Company for a term of three years, with effect from 6 November 2019. Under the appointment letter, Mr. Xie is entitled to a director's remuneration of RMB80,000 per annum. Mr. Xie's appointment is subject to the provisions of retirement and rotation of directors under the Articles and the applicable Listing Rules.

As at the Latest Practicable Date, Mr. Xie is interested in 14,500,000 Shares held by Silver Xie Holding Limited, a company beneficially and wholly-owned by Mr. Xie, within the meaning of Part XV of the SFO.

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

**Mr. Ma Baohua**, aged 59, is a non-executive Director. He is primarily responsible for the provision of guidance for the overall development of the Group. Mr. Ma joined the Group in February 2004. He was appointed as a Director on 13 June 2019 and was re-designated as a non-executive Director on 18 June 2019. Mr. Ma is currently also the president and an executive director of Yincheng International Holding Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 1902).

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

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

Mr. Ma has signed an appointment letter with the Company for a term of three years, with effect from 6 November 2019. Under the appointment letter, Mr. Ma is entitled to a director's remuneration of RMB80,000 per annum. Mr. Ma's appointment is subject to the provisions of retirement and rotation of directors under the Articles and the applicable Listing Rules.

As at the Latest Practicable Date, Mr. Ma is interested in 13,440,000 Shares held by Silver Ma Holding Limited, a company beneficially and wholly-owned by Mr. Ma, within the meaning of Part XV of the SFO.

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

**Mr. Zhu Li**, aged 47, is a non-executive Director. He is primarily responsible for the provision of guidance for the overall development of the Group. Mr. Zhu joined the Group in July 1995. He was appointed as a Director on 13 June 2019 and was re-designated as a non-executive Director on 18 June 2019. Mr. Zhu is currently also the vice president and an executive director of Yincheng International Holding Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 1902).

Mr. Zhu obtained a bachelor's degree in construction engineering from Southeast University in the PRC in July 1999. Mr. Zhu received his Executive Master of Business Administration (EMBA) degree from China Europe International Business School in the PRC in September 2010. He has over 25 years of experience in the real estate industry in the PRC.

Mr. Zhu has signed an appointment letter with the Company for a term of three years, with effect from 6 November 2019. Under the appointment letter, Mr. Zhu is entitled to a director's remuneration of RMB80,000 per annum. Mr. Zhu's appointment is subject to the provisions of retirement and rotation of directors under the Articles and the applicable Listing Rules.

As at the Latest Practicable Date, Mr. Zhu is interested in 6,720,000 Shares held by Silver Li Holding Limited, a company beneficially and wholly-owned by Mr. Zhu, within the meaning of Part XV of the SFO.

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

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## **APPENDIX II      EXPLANATORY STATEMENT ON REPURCHASE MANDATE**

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

### **1.      LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

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

### **2.      SHARE CAPITAL**

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

### **3.      REASONS FOR REPURCHASES**

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

### **4.      FUNDING OF REPURCHASES OF SHARES**

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

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## APPENDIX II      EXPLANATORY STATEMENT ON REPURCHASE MANDATE

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### 5.      GENERAL

There might be a material adverse impact on the working capital or gearing position as compared with the position disclosed in the audited financial statements of the Company for the year ended 31 December 2020 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period.

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

### 6.      SHARE PRICES

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

	Shares	
	Highest	Lowest
	HK\$	HK\$
<b>2020</b>		
April	2.37	1.76
May	2.57	1.99
June	4.98	2.19
July	8.52	4.67
August	9.69	7.01
September	8.10	6.80
October	7.48	5.70
November	6.30	4.71
December	5.35	4.34
<b>2021</b>		
January	7.49	4.26
February	7.00	4.83
March	6.00	4.70
April (up to and including the Latest Practicable Date)	5.00	4.60

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## **APPENDIX II      EXPLANATORY STATEMENT ON REPURCHASE MANDATE**

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### **7.      UNDERTAKING**

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

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

### **8.      CORE CONNECTED PERSON**

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

### **9.      TAKEOVERS CODE AND MINIMUM PUBLIC SHAREHOLDING**

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

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## **APPENDIX II      EXPLANATORY STATEMENT ON REPURCHASE MANDATE**

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As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, Mr. Huang is interested in (i) 96,120,000 Shares held through Sliver Huang Holding Limited, a company wholly-owned by Mr. Huang, (ii) 7,809,680 Shares held through Sliver Wutong Holding Limited, a company wholly-owned by Mr. Huang, and accordingly, Mr. Huang was taken to be interested in an aggregate of approximately 38.91% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the total interest of Mr. Huang in the issued share capital of the Company would be increased from 38.91% to approximately 43.23% and such increase would give rise to a general offer obligation under the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to an extent such that the general offer obligation would be triggered and will not effect repurchases to such extent which would result in the number of Shares held by the public falling below the prescribed minimum percentage of 25% as required under the Listing Rules.

### **10. SHARE PURCHASE MADE BY THE COMPANY**

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