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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you have sold** all your shares in China Energin International (Holdings) Limited, you should at once hand this circular and the accompanying 2017 Annual Report and form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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

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**CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED**

**中國航天萬源國際(集團)有限公司\***

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 1185)**

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES**
- (2) PROPOSED RE-ELECTION OF DIRECTORS AND CONTINUOUS  
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR  
WHO HAS SERVED MORE THAN NINE YEARS**
- (3) NOTICE OF ANNUAL GENERAL MEETING  
AND**
- (4) CLOSURE OF REGISTER OF MEMBERS**
- 

A notice convening the Annual General Meeting of China Energin International (Holdings) Limited to be held at Regus Conference Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 1 June 2018 at 11:30 a.m. is set out on pages N1 to N4 of this document.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch registrar in Hong Kong, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting in person if you so wish.

\* For identification purpose only

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Regus Conference Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on 1 June 2018 at 11:30 a.m. the notice of which is set out on pages N1 to N4 of this circular;
“Articles”	the Company’s Articles of Association;
“Astrotech”	Astrotech Group Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of CALT;
“Board” or “Directors”	the board of Directors of the Company, or where the context so admits, the directors of the Company;
“CALT”	中國運載火箭技術研究院(China Academy of Launch Vehicle Technology), a legal entity established in the PRC and wholly-owned by CASC;
“CASC”	中國航天科技集團公司 (China Aerospace Science and Technology Corporation), a state-owned enterprise established in the PRC and the ultimate controlling Shareholder of the Company;
“Company”	China Engine International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the Main Board of the Stock Exchange;
“Companies Law”	The Companies Law (Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands) as amended, supplemented or otherwise modified from time to time;
“Group”	the Company and its subsidiaries;
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to exercise the powers of the Company to allot, issue, and deal with Shares with an aggregate number not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the resolution approving such mandate
“Latest Practicable Date”	23 April 2018, being the latest practicable date prior to the printing of this document for ascertaining certain information referred to this circular;

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Registrar”	the Company’s branch registrar in Hong Kong, Tricor Standard Limited, Share Registration Public Office, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong;
“Repurchase Mandate”	a general and unconditional mandate to exercise all powers of the Company to repurchase Shares during the period as set out in the Repurchase Resolution up to a maximum of 10% of the number of issued Shares of the Company at the date of the Repurchase Resolution;
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution number 5 of the notice of Annual General Meeting;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company;
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange;
“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“%”	per cent.

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## LETTER FROM THE BOARD

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### CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED

中國航天萬源國際(集團)有限公司\*

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 1185)**

*Executive Directors:*

Mr. Liu Xiaowei (*Chairman*)  
Mr. Wang Xiaodong (*Vice-Chairman*)  
Mr. Li Guang (*Chief Executive Officer*)  
Mr. Xu Jun

*Independent Non-executive Directors:*

Ms. Kan Lai Kuen, Alice  
Mr. Gordon Ng  
Mr. Li Dapeng

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

*Principal Place of Business:*

Suite 4701, 47/F  
Central Plaza  
18 Harbour Road  
Wanchai  
Hong Kong

27 April 2018

*To the Shareholders of the Company*

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES**
- (2) PROPOSED RE-ELECTION OF DIRECTORS AND CONTINUOUS  
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR WHO  
HAS SERVED MORE THAN NINE YEARS**
- (3) NOTICE OF ANNUAL GENERAL MEETING  
AND**
- (4) CLOSURE OF REGISTER OF MEMBERS**

#### INTRODUCTION

It is proposed that at the Annual General Meeting of China Energin International (Holdings) Limited to be held on Friday, 1 June 2018, the notice of which is set out on pages N1 to N4 of

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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this circular, ordinary resolutions will be proposed to grant the Directors general mandates to issue and repurchase Shares of the Company and to approve the re-election of Directors and the continuous appointment of Mr. Gordon Ng, who has served the Company more than nine years, as an independent non-executive Director.

### **GENERAL MANDATE TO REPURCHASE SHARES**

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be granted the Repurchase Mandate to repurchase Shares. The Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolution of the Shareholders in general meeting prior to the next annual general meeting.

An explanatory statement providing you with all the information reasonably necessary for you to make an informed decision in relation to this proposed resolution concerning the Repurchase Mandate as required by the Listing Rules is set out in Appendix I to this circular.

### **GENERAL MANDATE TO ISSUE SHARES**

At the Annual General Meeting, an ordinary resolution will also be proposed that the Directors be granted the Issue Mandate to issue Shares. The Issue Mandate will represent up to 20% of the aggregate number of the issued Shares as at the date of passing of the ordinary resolution in relation thereof. Based on 4,368,995,668 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased prior to the date of the Annual General Meeting, the Directors will be authorised to issue 873,799,133 Shares pursuant to the Issue Mandate.

Subject to the passing of the aforesaid ordinary resolutions of the Repurchase Mandate and the Issue Mandate, a separate ordinary resolution will also be proposed to authorise the Directors to allot, issue and deal with Shares in an amount not exceeding the aggregate number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

### **RE-ELECTION OF DIRECTORS AND CONTINUOUS APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR WHO HAS SERVED MORE THAN NINE YEARS**

Pursuant to Article 116 of the Articles, one-third of the Directors for the time being shall retire from office. The Directors to retire in every year shall be those who have been longest in office since their last election. In accordance with this Article, Mr. Xu Jun, Mr. Gordon Ng (“Mr. Ng”) and Mr. Li Dapeng will retire by rotation at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

According to the code provision A.4.3 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, if an independent non-executive director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders. Mr. Ng has acted as an independent non-executive Director for more than nine years. The Company has

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## **LETTER FROM THE BOARD**

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received from Mr. Ng a confirmation of independence according to rule 3.13 of the Listing Rules. Throughout his directorship with the Company, Mr. Ng has participated in Board meetings and Board Committees meetings to offer impartial advice and exercise independent judgment, and has attended general meetings of the Company to gain a balanced understanding of the Shareholders' views. Mr. Ng has never engaged in any executive management of the Group. Taking into consideration the independent nature of his role and duties in the past years, the Board considers Mr. Ng to be independent under the Listing Rules although he has served the Company more than nine years. The Board believes that the continuous appointment of Mr. Ng as an independent non-executive Director will help to maintain the stability of the Board as Mr. Ng has, over time, gained valuable insight into the business strategy and policies of the Group.

Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### **ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting, which contains, inter alia, ordinary resolutions to approve the general mandate for Directors to issue new Shares and the Repurchase Mandate and re-election of retiring direction, are set out on pages N1 to N4 of this circular. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon.

### **VOTING PROCEDURE**

Pursuant to rules 13.39(4) of the Listing Rules, the vote of Shareholders at the Annual General Meeting will be taken by poll and a scrutineer will be appointed by the Company for vote taking at the Annual General Meeting. The chairman of the Annual General Meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting pursuant to Article 80 of the Company's Articles of Association. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 29 May 2018 to Friday, 1 June 2018, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the identity of shareholders who are entitled to attend and vote at the Annual General Meeting, all Share transfers accompanied by the relevant share certificates must be lodged with the Company's share register, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Monday, 28 May 2018.

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## LETTER FROM THE BOARD

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### 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.

### RECOMMENDATION

The Directors consider that the proposed grant of the mandates to issue new Shares and to repurchase Shares, and the proposed re-election of the retiring Directors and continuous appointment of the independent non-executive Director who has served more than nine years are all in the best interest of the Company and its Shareholders and so recommend you to vote in favour of the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
By order of the Board  
**China Engerine International (Holdings) Limited**  
**Liu Xiaowei**  
*Chairman*

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the number of issued Shares of the Company as at the date of the Repurchase Resolution.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the number of issued Shares of the Company comprised 4,368,995,668 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 436,899,566 Shares representing not more than 10% of the number of issued Shares of the Company as at the Latest Practicable Date.

The Repurchase Mandate, if granted, will be effective until whichever is the earliest of (i) the conclusion of the next Annual General Meeting; (ii) the expiration of the period within which the next Annual General Meeting is required to be held by the Articles, the Companies Law or any applicable laws of the Cayman Islands; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **2. REASONS FOR REPURCHASE**

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

### **3. FUNDING OF REPURCHASE**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles, the Listing Rules and the law of the Cayman Islands. The law of the Cayman Islands provides that the amount to be repaid in connection with a share repurchase may be paid from the profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business.

#### 4. IMPACT ON WORKING CAPITAL OR GEARING LEVEL

There might be an adverse impact on the working capital or gearing position of the Company as compared to the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 December 2017 in the event the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. In this connection, the Directors will not propose to exercise the Repurchase Mandate to such an extent as would, under 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. SHARE PRICES

During the 12 months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2017</b>		
April	0.830	0.700
May	0.810	0.650
June	0.770	0.620
July	0.710	0.600
August	0.640	0.435
September	0.590	0.450
October	0.530	0.445
November	0.490	0.390
December	0.405	0.335
<b>2018</b>		
January	0.435	0.380
February	0.405	0.355
March	0.415	0.335
April (up to the Latest Practicable Date)	0.375	0.340

**6. UNDERTAKING**

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

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event the Repurchase Mandate is approved by the Shareholders.

**7. TAKEOVERS CODE**

If on the exercise of the power to repurchase Shares 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 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 Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Astrotech is interested in 2,649,244,000 Shares (representing approximately 60.64% of the total number of issued Shares of the Company as at the Latest Practicable Date). In the event the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, then (if the present shareholdings remains the same) the attributable interests of Astrotech would be increased to approximately 67.37% of the number of issued Shares of the Company. The Directors believe that such an increase will not give rise to an obligation of Astrotech to make a mandatory offer under Rule 26 of the Takeovers Code whilst maintaining the Shares held by the public no less than 25%.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate. Nevertheless, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, trigger any potential consequences under Rule 26 of the Takeover Codes. Under any circumstances, the Repurchase Mandate will not be exercised to such an extent that the number of Shares held by public would fall below 25%.

**8. SHARE REPURCHASES MADE BY THE COMPANY**

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

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## APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

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*The particulars of the directors proposed to be re-elected at the Annual General Meeting to be held on 1 June 2018 are as follows:*

- (1) **Mr. Xu Jun**, Executive Director, Member of Nomination Committee as well as Development and Investment Committee

**Mr. Xu Jun**, aged 49, graduated from Zhengzhou Institute of Aeronautical Industry Management with a Bachelor degree with major in Finance and Accounting and BeiHang University with a Master degree in Business Administration. He was qualified as a member of the Chinese Institute of Certified Public Accountants in June 1996. Since November 2005, he had successively been the Chief Accountant with subsidiaries of the Company's controlling shareholder, "CALT", namely, Long March Aerospace Control Engineering Corporation, CALT Institute 18, and Aerospace Research Institute of Materials & Processing Technology. He was appointed as Financial Controller and Executive Director of the Company on 1 November 2014. He is also a director of a number of subsidiaries of the Group.

Mr. Xu has not entered into a written service agreement with the Company and was appointed with no specified length of tenure but subject to the requirements in the Articles of Association of the Company in relation to retirement by rotation and re-election in the subsequent Annual General Meetings. He is entitled to an annual remuneration of RMB810,000 and discretionary bonus having regard to his performance for the year.

Mr. Xu does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. Save as disclosed above, he is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. He has not held directorship or major appointment in any other listed public companies in the past three years.

- (2) **Mr. Gordon Ng**, Independent Non-executive Director, Chairman of Remuneration Committee and Member of Audit Committee and of Nomination Committee

**Mr. Gordon Ng**, aged 53, obtained his Bachelor's degree in Microbiology and Biochemistry and Master's degree in Intellectual Property from University of London. He was qualified as a solicitor in England and Wales in 1993 and Hong Kong in 1994. He has been the Head of Corporate Finance/Capital Market, Asia of the Hong Kong Office of an international law firm since July 2013. Prior to that, he had been a partner of Sidley Austin Brown & Wood, Hong Kong and CMS Cameron Mckenna, Hong Kong, Hogan & Hartson, Hong Kong and O'Melveny & Myers, Hong Kong. He was appointed as an Independent Non-executive Director of Mainland Headwear Holdings Ltd., a company listed on the Stock Exchange, on 1 September 2014. He was appointed as an Independent Non-executive Director of the Company on 23 January 2008 and re-appointed on 23 January 2011, 23 January 2014 and 23 January 2017 for tenure of 3 years each.

Mr. Ng has not entered into a written service agreement with the Company and is appointed for tenure of 3 years but subject to requirements in the Articles of Association of the Company in relation to retirement by rotation and re-election in the subsequent Annual General Meetings. He is entitled to receive an annual director fee of RMB150,000.

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## APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

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Mr. Ng, who has served the Board for more than nine years, confirmed that he had satisfied all factors set out in Rule 3.13 of the Listing Rules in assessing his independence. Mr. Ng does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. Save as disclosed above, he has not held directorship or major appointment in any other listed public companies in the past three years.

- (3) **Mr. Li Dapeng**, Independent Non-executive Director, Member of Audit Committee, Remuneration Committee, Nomination Committee and of Development and Investment Committee

**Mr. Li Dapeng**, aged 61, graduated from University of Science and Technology Beijing (formerly Beijing Steel Institute) with a Bachelor degree in Computing and a Master degree in Engineering and the University of Cincinnati with a PhD degree in Computer Engineering. Possessing extensive experience relating to system development in capital market, Mr. Li had been the Chief Architect with New York Mercantile Exchange during the years 2001 to 2003; Chief Information Officer, and Chairman of Technology Management Committee with Shanghai Futures Exchange during the years from 2003 to 2010; CEO and founder of Shanghai Global Financial Technology during the years 2010 to 2012; Senior Adviser to CEO with the Hong Kong Exchanges and Clearing Ltd. during the period from March 2013 to May 2015. He has been the Chief Information Officer of Haier Financial Group, offering the perspective on technology and risk management to the Group since June 2015. He was appointed as an Independent Non-executive Director of the Company on 10 November 2015 for tenure of 3 years.

Mr. Li has not entered into a written service agreement with the Company and is appointed for tenure of 3 years but subject to requirements in the Articles of Association of the Company in relation to retirement by rotation and re-election in the subsequent Annual General Meetings. He is entitled to receive an annual director fee of RMB150,000.

Mr. Li does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO. He is not connected with any other directors, senior management, substantial or controlling shareholders of the Company. Save as disclosed above, he has not held directorship or major appointment in any other listed public companies in the past three years.

In relation to the above re-election of directors, save as disclosed above, there is no other information required to be disclosed pursuant to the Rule 13.51(2) of the Listing Rules, and there is no other matter which needs to be brought to the attention of Shareholders of the Company.

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## NOTICE OF ANNUAL GENERAL MEETING

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### CHINA ENERGINE INTERNATIONAL (HOLDINGS) LIMITED

中國航天萬源國際(集團)有限公司\*

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 1185)**

**NOTICE IS HEREBY GIVEN** that an Annual General Meeting of China EnerGINE International (Holdings) Limited (the “Company”) will be held on Friday, 1 June 2018 at 11:30 a.m. at Regus Conference Centre, 35/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors and of the auditor of the Company for the year ended 31 December 2017.
2.
  - (a) To re-elect Mr. Xu Jun as an executive Director;
  - (b) To re-elect Mr. Gordon Ng, who has served the Company for more than nine years, as an independent non-executive Director;
  - (c) To re-elect Mr. Li Dapeng as an independent non-executive Director;
  - (d) To authorise the Board of Directors to fix the Directors’ remuneration.
3. To consider the re-appointment of Messrs. Deloitte Touche Tohmatsu as the auditor of the Company and to authorise the board of directors to fix their remuneration.

To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

4. **“THAT:**
  - (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;

\* *For identification purpose only*

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the approval in paragraph (a) above shall be in addition to any other authorization given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or any issue of shares of the Company on the exercise of subscription rights attaching to any warrants of the Company or on the exercise of any options granted under the share option scheme of the Company or on the exercise of the conversion rights attaching to any convertible notes of the Company, shall not exceed 20% of the number of shares of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; 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 Company’s Articles of Association (the “Articles”), the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the “Companies Law”), or any other applicable laws (as amended, supplemented or otherwise modified from time to time) of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution.

“Right Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (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 recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

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## NOTICE OF ANNUAL GENERAL MEETING

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5. “**THAT**:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and which is 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/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the number of shares which are authorised to be repurchased by the directors of the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the number of shares of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (c) 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, the Companies Law, or any other applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution of the Company in the general meeting revoking or varying the authority set out in this resolution.”

6. “**THAT** conditional on the passing of the resolution no. 5 set out in the notice convening this meeting of which this resolution forms part, the general mandate granted to the directors of the Company to allot, issue and deal with new shares pursuant to the resolution no. 4 set out in the notice convening this meeting of which this resolution forms part be and is hereby extended by the addition to the number of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of a number representing the number of shares of the Company repurchased by the Company under the authority granted pursuant to the resolution no. 5 set out in the notice convening this meeting of which this resolution forms part, provided that such extended amount shall not exceed 10% of the number of shares of the Company in issue as at the date of passing this resolution.”

By Order of the Board

**Liu Xiaowei**

*Chairman*

Hong Kong, 27 April 2018

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## NOTICE OF ANNUAL GENERAL MEETING

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*Note:*

1. Any member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. 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 of that power or authority must be deposited at the Company's branch registrar in Hong Kong, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting.
3. The register of members of the Company will be closed from Tuesday, 29 May 2018 to Friday, 1 June 2018, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the identity of shareholders who are entitled to attend and vote at the AGM, all share transfer accompanied by the relevant Share certificates must be lodged with the Company's share register, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong at later than 4:30 p.m. on Monday, 28 May 2018.