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

If you have sold or transferred all your shares in Pa Shun International Holdings Limited (“Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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百信集團
PASHUN GROUP

Pa Shun International Holdings Limited

百信國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 574)

**(1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 10 of this circular.

A notice dated 30 June 2020 convening an annual general meeting of the Company to be held at Luxembourg Hall, 6th Floor, Jinyun Hotel, No. 668 Jinfu Road, Chengdu City, the PRC on Friday, 31 July 2020 at 3:00 p.m. is set out on pages 14 to 19 of this circular. Whether or not you intend to attend such meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event by 3:00 p.m. on Wednesday, 29 July 2020 or not less than 48 hours before the time fixed for holding the adjourned annual general meeting to the office of the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting and any adjournment thereof if you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

30 June 2020

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company convened to be held on Friday, 31 July 2020, at 3:00 p.m. at Luxembourg Hall, 6th Floor, Jinyun Hotel, No. 668 Jinfu Road, Chengdu City, the PRC, the notice of which is set out on pages 14 to 19 of this circular
“Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Company”	Pa Shun International Holdings Limited 百信國際控股有限公司, a company incorporated in the Cayman Islands with limited liability with its securities listed on the Stock Exchange
“core connected person(s)”	has the meaning ascribed to this term under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate as set out in the resolution numbered 5(C) in the notice convening the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	the general mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to issue, allot and deal with up to 20% of the number of issued Shares as at the date of the passing the relevant resolution as set out in the resolution numbered 5(A) in the notice convening the AGM
“Latest Practicable Date”	23 June 2020, 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
“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
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to repurchase up to 10% of the number of issued Shares as set out in the resolution numbered 5(B) in the notice convening the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong
“%”	per cent.

References to time and dates in this circular are to Hong Kong time and dates.

LETTER FROM THE BOARD



百信集團
PASHUN GROUP

Pa Shun International Holdings Limited
百信國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 574)

Executive Directors:

Mr. Shen Shun
Mr. Chen Rongxin

Non-executive Directors:

Mr. Zhang Xiongfeng
Mr. Hu Haisong
Mr. Wu Guohua

Independent non-executive Directors:

Mr. Liu Liangzhong
Mr. Wong Tak Shing
Mr. Lu Yongchao

Registered office:

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

Principal place of business in

Hong Kong:

Room 1310D, 13/F,
Premier Centre,
20 Cheung Shun Street
Lai Chi Kok,
Kowloon,
Hong Kong

30 June 2020

To the Shareholders

Dear Sir or Madam

**(1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
AND
(2) PROPOSED RE-ELECTION OF DIRECTORS**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM relating to (i) the granting to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (ii) the re-election of Directors.

LETTER FROM THE BOARD

2. PROPOSED GRANT OF GENERAL MANDATES

At the annual general meeting of the Company held on 28 June 2019, the Directors were granted (i) a general mandate to allot, issue and deal with Shares up to 20% of the number of issued Shares as at the date of the passing of the resolution; (ii) a general mandate to repurchase Shares not exceeding 10% of the number of issued Shares as at the date of the passing of the resolution; and (iii) the power to extend the general mandate mentioned in (i) above by the number of Shares representing the number of issued Shares repurchased by the Company pursuant to the mandate to repurchase Shares referred to in (ii) above.

The general mandates previously granted to the Directors to repurchase and issue Shares by the Shareholders at the annual general meeting of the Company held on 28 June 2019 will expire at the conclusion of the AGM. In order to give the Company the flexibility to repurchase and issue Shares if and when appropriate, at the AGM, the following separate ordinary resolutions will be proposed to approve the grant of new general mandates to the Directors:

- (a) the Issue Mandate to allot, issue and otherwise deal with Shares not exceeding 20% of the number of issued Shares as at the date of the passing of such resolution;
- (b) the Repurchase Mandate to repurchase issued and fully paid Shares on the Stock Exchange up to a maximum of 10% of the number of issued Shares as at the date of the passing of such resolution; and
- (c) to add the number of the Shares repurchased by the Company pursuant to the Repurchase Mandate to the Issue Mandate.

As at the Latest Practicable Date, there were in aggregate 1,474,992,908 Shares in issue. Subject to the passing of the proposed resolutions for the grant of the Issue Mandate and the Repurchase Mandate, and on the basis that no further Shares will be issued or repurchased prior to the date of the AGM, exercise in full of the Repurchase Mandate will result in up to 147,499,290 Shares being repurchased by the Company, and the Directors will be authorised to allot and issue under the Issue Mandate up to 294,998,581 Shares, and to the extent the Repurchase Mandate is exercised, plus the number of Shares representing the number of issued Shares repurchased by the Company under the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate shall continue in force during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by any applicable law or by the Articles of Association; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

LETTER FROM THE BOARD

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to renew the grant to the Directors of the Repurchase Mandate. The explanatory statement required by the Listing Rules to be included in this circular is set out in the Appendix to this circular.

3. RE-ELECTION OF DIRECTORS

Pursuant to Article 84 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Any Director who has not been subject to retirement by rotation in the three years preceding the annual general meeting shall retire by rotation at such annual general meeting. The Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Pursuant to paragraph A.4.2 of Appendix 14 of the Listing Rules, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Accordingly, the Directors retiring by rotation at the AGM are Mr. Zhang Xiongfeng (“**Mr. Zhang**”), Mr. Liu Liangzhong (“**Mr. Liu**”) and Mr. Wong Tak Shing (“**Mr. Wong**”). Mr. Zhang, Mr. Liu and Mr. Wong, who being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

The biographical details of all the Directors subject to re-election at the AGM are as follows:

Non-Executive Director

ZHANG XIONGFENG (張雄峰), aged 52, was appointed as a non-executive Director with effective from 1 July 2016. Mr. Zhang holds a bachelor's of arts degree in German Language awarded by Shanghai International Studies University (上海外國語大學) in July 1990. Mr. Zhang has extensive experience in the investment banking industry, specialising in the area of corporate finance. From December 2004 to September 2010, Mr. Zhang was employed by Daiwa Capital Markets Hong Kong Limited. From October 2010 to May 2012, Mr. Zhang was the joint head of corporate finance department of Oriental Patron Asia Limited. From 30 June 2017 to 5 October 2018, Mr. Zhang was a non-executive director of Fire Rock Holdings Limited, a company whose shares were listed on GEM of the Stock Exchange (Stock code: 8345) and has transferred to the Main Board of the Stock Exchange on 27 June 2019 (Stock code: 1909) and he was an independent non-executive director of such company from January 2016 to June 2017. From 31 December 2013 to 1 December 2018, he was an executive director and the chairman of the board of directors of Hang Tai Yue Group Holdings Limited (formerly known as Interactive Entertainment China Cultural Technology Investments Limited) (Stock code: 8081), a company whose shares are listed on GEM of the Stock Exchange. Mr. Zhang is currently a non-executive director of Dadi International Group Limited (Stock code: 8130), a company whose shares are listed on GEM of the Stock Exchange.

As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Mr. Zhang was interested in 44,814,000 Shares, being the aggregate of 34,814,000 Shares and 10,000,000 underlying Shares to be issued upon exercise of the share options granted to Mr. Zhang, representing approximately 3.04% of the issued share capital of the Company

Pursuant to the letter of appointment entered into between Mr. Zhang and the Company, Mr. Zhang has been appointed as a non-executive Director for a term of three years with effect from 19 June 2018, subject to termination by Mr. Zhang by service of notice in writing to the Company at least half month in advance or by the Company at any time. Mr. Zhang will be subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Pursuant to his letter of appointment, Mr. Zhang is entitled to an annual director's fee of HK\$50,000, which was determined with reference to his background, experience, duties and responsibilities with the Group and the prevailing market conditions.

LETTER FROM THE BOARD

Independent Non-Executive Directors

LIU LIANGZHONG (劉良忠), aged 56, was appointed as an independent non-executive Director on 26 May 2015. He is mainly responsible for the overall supervision of compliance and corporate governance of the Group. Mr. Liu has over 30 years of experience in the food science and engineering industry. He has worked as a professor in Wuhan Polytechnic University (武漢輕工大學) since 2004, specialising in food science and engineering. He worked as a lecturer and associated professor from 1992 to 2001 and as a teaching assistant from 1986 to 1989 in Yangtze University (長江大學). Mr. Liu obtained a doctoral degree in processing and storage of agricultural products from Huazhong Agricultural University (華中農業大學) on 17 June 2004. In addition, he graduated from Beijing Agricultural University (北京農業大學) in July 1992, majoring in storage and processing of agricultural products and obtained a bachelor's degree in meat product safety from Hangzhou School of Commerce (杭州商學院) (predecessor of Zhejiang Gongshang University (浙江工商大學)) in July 1986. Mr. Liu is the chairman of each of the audit committee and the remuneration committee of the Board and a member of each of the nomination committee and the corporate governance committee of the Board.

The nomination committee of the Board has recommended the re-election of Mr. Liu to the Board, after reviewing the accomplishment, experience, working profile and other factors (including but not limited to gender, age, professional experience, cultural and educational background as set out in the board diversity policy of the Company) of Mr. Liu in accordance with the nomination policy and the board diversity policy of the Company. The nomination committee of the Board has also assessed the independence of Mr. Liu including reviewing his annual written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. Taking into account that his professional knowledge and experience in the food science and engineering industry which can bring further contribution to the Board and its diversity, the Board is satisfied that Mr. Liu has the required character, integrity, perspectives, skills and experience to continuously fulfill his role as an independent non-executive Director effectively. The Board believes that the re-election of Mr. Liu as an independent non-executive Director would be in the best interests of the Company and the Shareholders as a whole.

Pursuant to the letter of appointment made between Mr. Liu and the Company, Mr. Liu has been appointed as an independent non-executive Director for a term of three years with effect from 19 June 2018, subject to termination by the appointee by service of notice in writing to the Company at least half month in advance or by the Company at any time. Mr. Liu will be subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Pursuant to his letter of appointment, Mr. Liu is entitled to an annual director's fee of RMB100,000, which was determined with reference to his background, experience, duties and responsibilities with the Group and the prevailing market conditions.

LETTER FROM THE BOARD

WONG TAK SHING (黃德盛), aged 57, was appointed as an independent non-executive Director on 26 May 2015. Mr. Wong graduated from the University of New England, Australia with a Postgraduate Diploma in Financial Management and from the University of Southampton, U.K. with a Bachelor of Social Science in Business Economics and Accounting degree. Mr. Wong is currently an associate member of the CPA Australia and an associate member of the Hong Kong Institute of Certified Public Accountants. He has over 28 years of experience in corporate finance, accounting, personnel and administration. Mr. Wong is also an independent non-executive director of China Digital Culture (Group) Limited (Stock code: 8175), a company whose shares are listed on GEM of the Stock Exchange. Mr. Wong was previously an executive director of China Ocean Group Development Limited (Stock code: 8047), a company listed on GEM of the Stock Exchange and an independent non-executive director of Digital Domain Holdings Limited (Stock code: 547), a company listed on the Main Board of the Stock Exchange. Mr. Wong was also a company secretary of Greentech Technology International Limited (Stock code: 195) from 26 September 2014 to May 2019, a company listed on the Main Board of the Stock Exchange. Mr. Wong is a member of each of the audit committee and the remuneration committee of the Board.

The nomination committee of the Board has recommended the re-election of Mr. Wong to the Board, after reviewing the accomplishment, experience, working profile and other factors (including but not limited to gender, age, professional experience, cultural and educational background as set out in the board diversity policy of the Company) of Mr. Wong in accordance with the nomination policy and the board diversity policy of the Company. The nomination committee of the Board has also assessed the independence of Mr. Wong including reviewing his annual written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. Taking into account that his professional knowledge and experience in corporate finance, accounting, personnel and administration which can bring further contribution to the Board and its diversity, the Board is satisfied that Mr. Wong has the required character, integrity, perspectives, skills and experience to continuously fulfill his role as an independent non-executive Director effectively. The Board believes that the re-election of Mr. Wong as an independent non-executive Director would be in the best interests of the Company and the Shareholders as a whole.

Pursuant to the letter of appointment made between Mr. Wong and the Company, Mr. Wong has been appointed as an independent non-executive Director for a term of three years with effect from 19 June 2018, subject to termination by the appointee by service of notice in writing to the Company at least half month in advance or by the Company at any time. Mr. Wong will be subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the Listing Rules. Pursuant to his letter of appointment, Mr. Wong is entitled to an annual director's fee of HKD180,000, which was determined with reference to his background, experience, duties and responsibilities with the Group and the prevailing market conditions.

LETTER FROM THE BOARD

Save as disclosed hereof, as at the Latest Practicable Date, and to the best knowledge and belief of the Board, the Directors confirmed that:

- (i) each of Mr. Zhang, Mr. Liu and Mr. Wong did not have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company (having the meanings ascribed to them in the Listing Rules);
- (ii) each of Mr. Zhang, Mr. Liu and Mr. Wong had no other interests in the Shares within the meaning of Part XV of the SFO;
- (iii) each of Mr. Zhang, Mr. Liu and Mr. Wong did not hold any other major appointments and qualifications or directorships in other listed company in the last three years and did not hold other positions with the Company or other members of the Group;
- (iv) there was no other information required to be disclosed pursuant to any of the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules; and
- (v) the Company was not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Mr. Zhang, Mr. Liu and Mr. Wong.

4. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for registration of transfers of Shares from Tuesday, 28 July 2020 to Friday, 31 July 2020 (both days inclusive), during which period no transfer of Shares will be registered. In order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 27 July 2020.

5. THE AGM, PROXY ARRANGEMENT AND DEMAND FOR POLL

A notice convening the AGM to be held on Friday, 31 July 2020, at 3:00 p.m. at Luxembourg Hall, 6th Floor, Jinyun Hotel, No. 668 Jinfu Road, Chengdu City, the PRC is set out on pages 14 to 19 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon by 3:00 p.m. on Wednesday, 29 July 2020 or not less than 48 hours before the time appointed for the adjourned AGM to the office of the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

Pursuant to rule 13.39(4) of the Listing Rules, any vote of 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.

The Directors are not aware of any Shareholders who are required to abstain from voting in the AGM. An announcement on the poll results will be published by the Company after the AGM in the manner prescribed under rule 13.39(5) of the Listing Rules.

6. 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.

7. RECOMMENDATION

The Directors consider that the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of the retiring Directors are in the interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the AGM in respect thereof.

8. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular.

Yours faithfully
On behalf of the Board
Pa Shun International Holdings Limited
Mr. Wu Guohua
Non-executive Director

This Appendix serves as an explanatory statement given to all the Shareholders, as required by the Listing Rules, to provide all the requisite information in relation to the Repurchase Mandate.

1. LISTING RULES RELATING TO REPURCHASES OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the more important of which are summarised below:

(a) Shareholders' approval

All proposed purchase of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by its shareholders by an ordinary resolution, either by way of a general mandate or by a specific approval in relation to a specific transaction.

(b) Share capital

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the number of issued Shares as at the date of the passing of the proposed resolution granting the Repurchase Mandate.

As at the Latest Practicable Date, the Company had 1,474,992,908 Shares in issue. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the AGM, the exercise of the Repurchase Mandate in full would result in up to 147,499,290 Shares being repurchased by the Company.

(c) Reason for repurchase

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

(d) Fund of repurchase

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its constitutive documents and the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

As compared with the financial position of the Company as at 31 December 2019 (being the date of its latest audited accounts), the Directors consider that there would not be a material adverse impact on the working capital or gearing position of the Company if the Repurchase Mandate was to be exercised in full during the proposed repurchase period. In any event, 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 or the gearing level (as compared with the position disclosed in its most recent published audited accounts) which in the opinion of the Directors are from time to time appropriate for the Company.

(e) Connected parties

None of the Directors nor, to the best knowledge of the Directors having made all reasonable enquiries, any of their respective close associates has any present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders. As at the Latest Practicable Date, no core connected person had notified the Company that he had a present intention to sell Shares to the Company, or had undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

(f) Undertaking by Directors

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

(g) Takeovers Code

If as a result of a securities repurchase, a Shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Takeovers Code.

As at the Latest Practicable Date, Mr. Chen Yenfei, together with his associate, were beneficially interested in 766,600,000 Shares, representing approximately 51.97% of the issued Shares. In the event that the Directors exercise the Repurchase Mandate in full in accordance with the terms of the ordinary resolution to be proposed at the AGM, the interests of Mr. Chen Yenfei, together with his associate, in the Company would be increased to approximately 57.75% of the issued Shares, which will not give rise to an obligation to make a mandatory offer under Rule 26 and 32 of the Takeovers Code.

APPENDIX EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The Directors are not aware of any consequences which may arise under Rule 26 of the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

The Directors have no present intention to exercise the power to repurchase the Shares pursuant to the Repurchase Mandate to such an extent as to result in mandatory offer obligations.

(h) Public float

The Directors confirm that the Repurchase Mandate will not be exercised to an extent where the amount of Shares held by the public will be reduced below 25%.

2. SHARES REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, no Shares have been repurchased by the Company (whether on the Stock Exchange or otherwise).

3. SHARE PRICES

During each of the twelve months up to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
June	0.152	0.111
July	0.184	0.101
August	0.145	0.103
September	0.177	0.107
October	0.135	0.105
November	0.130	0.106
December	0.120	0.102
2020		
January	0.325	0.100
February	0.196	0.113
March	0.125	0.073
April	0.082	0.061
May	0.081	0.056
June (up to the Latest Practicable Date)	0.195	0.104

NOTICE OF ANNUAL GENERAL MEETING



百信集团
PASHUN GROUP

Pa Shun International Holdings Limited
百信國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 574)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (“**Meeting**”) of Pa Shun International Holdings Limited (“**Company**”) will be held on Friday, 31 July 2020, at 3:00 p.m. at Luxembourg Hall, 6th Floor, Jinyun Hotel, No. 668 Jinfu Road, Chengdu City, the PRC for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company, the reports of the directors (“**Directors**” and each a “**Director**”) and the independent auditor of the Company for the year ended 31 December 2019.
2. (A) To re-elect Mr. Zhang Xiongfeng as a Director.

(B) To re-elect Mr. Liu Liangzhong as a Director.

(C) To re-elect Mr. Wong Tak Shing as a Director.
3. To authorise the board of Directors to fix the remuneration of the Directors.
4. To re-appoint CCTH CPA Limited as auditor of the Company and to authorise the Directors to fix the remuneration of the auditor of the Company.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

5. As special business to consider and, if thought fit, pass with or without modifications, each of the following resolutions as an ordinary resolution of the Company:

ORDINARY RESOLUTIONS

(A) **“THAT**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (“Shares”) and to make or grant offers, agreements or options, including warrants to subscribe for Shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options, including warrants to subscribe for Shares, which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the 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 approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) the exercise of any option under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers, employees of the Company and/or any of its subsidiaries or other eligible participants of shares or rights to acquire shares in the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of the cash payment for a dividend on Shares in accordance with the articles of association of the Company, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the number of issued Shares as at the date of the passing of this resolution; and

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(bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of issued Shares 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 at the date immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier 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 to be held; and
- (iii) the date of 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; and

“**Rights Issue**” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of the 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 exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China (“**Hong Kong**”).”

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(B) “**THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the applicable laws in the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the number of the Shares which may be purchased or repurchased by the Company or agreed to be purchased or repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the number of issued Shares 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 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 earlier 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 to be held; and

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(iii) the date 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.”

(C) “**THAT** conditional upon resolutions 5(A) and 5(B) set out above being passed, the number of Shares which is purchased or repurchased by the Company under the authority granted to the Directors as mentioned in resolution 5(B) above shall be added to the number of Shares that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to the resolution 5(A) above, provided that such Shares shall not exceed 10 per cent. of the number of issued Shares as at the date of the passing of this resolution.”

By order of the Board
Pa Shun International Holdings Limited
Mr. Wu Guohua
Non-executive Director

Hong Kong, 30 June 2020

Notes:

1. Any shareholder of the Company (“**Shareholder**”) entitled to attend and vote at the Meeting is entitled to appoint one or, if he is holder of more than one share, more proxies to attend and vote instead of him. A proxy need not be a Shareholder. A proxy so appointed shall be entitled to exercise the same powers on behalf of such Shareholder. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. The register of members of the Company will be closed for registration of transfers of Shares from Tuesday, 28 July 2020 to Friday, 31 July 2020 (both days inclusive), during which period no transfer of Shares will be registered. In order to determine the identity of the Shareholders who are entitled to attend and vote at the Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 27 July 2020.
3. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited at the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong by 3:00 p.m. on Wednesday, 29 July 2020 or not less than 48 hours before the time appointed for holding the adjourned Meeting.

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4. The instrument appointing a proxy shall 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 its common seal or under the hand of an officer or attorney or other person duly authorised.
5. Delivery of the form of proxy will not preclude a Shareholder from attending and voting in person at the Meeting convened and in such event, the form of proxy shall be deemed to be revoked.
6. Where there are joint holders of any Share, any one of such persons may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting the vote of the senior holder who tenders a vote, whether personally or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of such Share.
7. As required by the Rules Governing the Listing of Securities on the Stock Exchange, all the above resolutions will be decided by way of poll.
8. References to time and dates in this notice are to Hong Kong time and dates.