
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your 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 **China Chengtong Development Group Limited**, you should at once hand this circular accompanying with the form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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



CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

中國誠通發展集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 217)

- (1) PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS;
(3) RE-APPOINTMENT OF AUDITORS;
(4) DECLARATION OF FINAL DIVIDEND;
AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at Boardroom 3–4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Monday, 26 June 2023 at 10:00 a.m. is set out on pages AGM-1 to AGM-5 of this circular.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return the same by 10:00 a.m. on Friday, 23 June 2023 or not later than 48 hours before the time appointed for holding any adjournment or postponement of the Annual General Meeting to the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment or postponement thereof should you so wish and, in such event, the form of proxy previously submitted shall be deemed to be revoked.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
1. Introduction.	3
2. Proposed granting of general mandates	4
3. Re-election of Directors	5
4. Re-appointment of Auditors	5
5. Declaration of final dividend.	6
6. Annual General Meeting	6
7. Voting by poll	7
8. Recommendation	7
9. Responsibility statement.	7
Appendix I – Explanatory statement for the Repurchase Mandate	I-1
Appendix II – Details of Directors proposed to be re-elected	II-1
Notice of Annual General Meeting	AGM-1

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company convened to be held at Boardroom 3–4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Monday, 26 June 2023 at 10:00 a.m. or any adjournment or postponement thereof, the notice of which is set out on pages AGM-1 to AGM-5 of this circular
“Articles”	the articles of association of the Company currently in force
“Auditors”	the auditors of the Company
“Board”	the board of Directors
“CCHG”	China Chengtong Holdings Group Limited, a state-owned enterprise established in the PRC with limited liability and the ultimate holding company of the Company
“CCHK”	China Chengtong Hong Kong Company Limited, a company incorporated in Hong Kong with limited liability and the controlling shareholder of the Company
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong
“Company”	China Chengtong Development Group Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“COVID-19”	the novel coronavirus disease 2019
“Director(s)”	the 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, issued or dealt with under the Issue Mandate
“Group”	the Company and its subsidiaries as at the Latest Practicable Date
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares of up to a maximum of 20% of the number of issued Shares as at the date of passing of the relevant resolution
“Latest Practicable Date”	25 May 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China which, 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”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares of up to a maximum of 10% of the number of issued Shares as at the date of passing of the relevant resolution
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong as approved by the SFC
“%”	per cent.

The English names of all PRC entities in this circular are for identification purpose only.

LETTER FROM THE BOARD



CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

中國誠通發展集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 217)

Executive Directors:

Zhang Bin (*Chairman*)

Yang Tianzhou (*Managing Director*)

Gu Honglin

Independent non-executive Directors:

Chang Qing

Lee Man Chun, Tony

He Jia

*Registered address and principal place of
business in Hong Kong:*

Suite 6406, 64th Floor

Central Plaza

18 Harbour Road

Wanchai, Hong Kong

1 June 2023

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS;
(3) RE-APPOINTMENT OF AUDITORS;
(4) DECLARATION OF FINAL DIVIDEND;
AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors; (ii) the re-election of the Directors; (iii) the re-appointment of the Auditors; and (iv) the declaration of final dividend, and to give you notice of the Annual General Meeting.

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF GENERAL MANDATES

At the annual general meeting of the Company held on 24 June 2022, ordinary resolutions were passed to, among other things, grant the general mandates to the Directors (i) to allot, issue or otherwise deal with Shares of not exceeding 20% of the number of issued Shares on 24 June 2022; (ii) to repurchase Shares of an aggregate number of up to 10% of the number of issued Shares on 24 June 2022; and (iii) to extend the general mandate to allot and issue Shares by adding to it such number of Shares repurchased by the Company pursuant to and in accordance with the general mandate as mentioned in (ii) above.

As at the Latest Practicable Date, no Shares had been issued or repurchased pursuant to the general mandates granted to the Directors on 24 June 2022.

These general mandates will lapse at the conclusion of the Annual General Meeting.

Issue Mandate

At the Annual General Meeting, an ordinary resolution will be proposed to grant the Issue Mandate to the Directors to allot, issue or otherwise deal with Shares of not exceeding 20% of the number of issued Shares as at the date of passing of the relevant resolution, which is 1,192,927,009 Shares based on the total number of issued Shares as at the Latest Practicable Date and assuming that the number of issued Shares remains unchanged up to the date of the Annual General Meeting.

Repurchase Mandate

At the Annual General Meeting, an ordinary resolution will also be proposed to grant the Repurchase Mandate to the Directors, in the terms set out in the notice of the Annual General Meeting, to repurchase Shares on the Stock Exchange or any other stock exchange on which the securities of the Company may be listed and which has been recognised by the SFC and the Stock Exchange of an aggregate number of up to 10% of the number of issued Shares as at the date of passing of the relevant resolution.

Extension Mandate

In addition, an ordinary resolution regarding the Extension Mandate will be proposed at the Annual General Meeting providing that any Shares repurchased under the Repurchase Mandate (up to a maximum of 10% of the number of issued Shares as at the date of grant of the Repurchase Mandate) will be added to the total number of Shares which may be allotted and issued under the Issue Mandate.

The Issue Mandate and the Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions numbered 5 and 6 in the notice of the Annual General Meeting as set out on pages AGM-1 to AGM-5 of this circular.

LETTER FROM THE BOARD

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the grant of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. RE-ELECTION OF DIRECTORS

In accordance with Article 100 of the Articles, any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. Accordingly, Mr. Gu Honglin (“**Mr. Gu**”), who was appointed as an executive Director by the Board with effect from 23 December 2022, will retire from office at the Annual General Meeting and, being eligible, will offer himself for re-election as an executive Director at the Annual General Meeting.

In accordance with Article 109(A) of the Articles and in compliance with the code provision B.2.2 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Zhang Bin (“**Mr. Zhang**”) and Professor He Jia (“**Professor He**”) will retire as Directors by rotation and shall be eligible for re-election at the Annual General Meeting. Each of Mr. Zhang and Professor He, being eligible, offers himself for re-election as an executive Director and an independent non-executive Director respectively at the Annual General Meeting.

In considering the proposal for the re-election of the above retiring Directors, the Nomination Committee has considered the potential contribution each relevant Director can bring to the Board in terms of qualification, skills and experience and has taken into account various factors including but not limited to gender, age, cultural and educational background, length of service, regional and industrial experience of the relevant Directors in accordance with the nomination policy and the board diversity policy of the Company. In addition, the Nomination Committee has assessed the independence of Professor He by reference to the independence criteria as set out in Rule 3.13 of the Listing Rules.

After considering the above, the Nomination Committee has recommended to the Board for proposing the re-election of the above retiring Directors at the Annual General Meeting. Accordingly, the Board has proposed that each of the above retiring Directors, namely Mr. Zhang, Mr. Gu and Professor He, stands for re-election as a Director by way of a separate resolution at the Annual General Meeting.

Brief biographical details of the abovementioned Directors are set out in Appendix II to this circular.

4. RE-APPOINTMENT OF AUDITORS

BDO Limited (“**BDO**”) has resigned as the Auditors with effect from 25 November 2022. Baker Tilly Hong Kong Limited has been appointed by the Board as the new Auditors with effect from 25 November 2022 to fill the casual vacancy following the resignation of BDO and to hold office until the conclusion of the Annual General Meeting. A Shareholder has given a special notice to the Company pursuant to sections 400 and 578 of the Companies Ordinance of the intention to propose the following resolution as an ordinary resolution at the Annual General Meeting:

LETTER FROM THE BOARD

“**THAT** Baker Tilly Hong Kong Limited be re-appointed as the auditors of the Company to hold office from the conclusion of the Annual General Meeting until the next annual general meeting of the Company at a remuneration to be fixed by the board of directors of the Company.”

5. DECLARATION OF FINAL DIVIDEND

By the announcement of the final results for the year ended 31 December 2022 of the Company dated 8 March 2023, the Company announced that the Board had resolved to recommend the payment of a final dividend of HK0.39 cent per Share in respect of the year ended 31 December 2022 to the Shareholders whose names appear on the register of members of the Company on Friday, 7 July 2023. Subject to the passing of the resolution approving the payment of such final dividend at the Annual General Meeting, the final dividend is expected to be paid on Friday, 21 July 2023.

In order to determine the entitlement to the final dividend for the year ended 31 December 2022, the register of members of the Company will be closed on Friday, 7 July 2023, on which day no transfer of Shares will be registered. In order to qualify for the final dividend, all completed share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 6 July 2023.

6. ANNUAL GENERAL MEETING

The notice for the Annual General Meeting is contained in this circular and a form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return the same by 10:00 a.m. on Friday, 23 June 2023 or not later than 48 hours before the time appointed for holding any adjournment or postponement of the Annual General Meeting to the Company’s share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment or postponement thereof should you so wish and, in such event, the form of proxy previously submitted shall be deemed to be revoked.

The record date for determining the entitlement of the Shareholders to attend and vote at the Annual General Meeting will be Monday, 26 June 2023 and the register of members of the Company will be closed from Tuesday, 20 June 2023 to Monday, 26 June 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to be entitled to attend and vote at the Annual General Meeting, all completed share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 19 June 2023.

LETTER FROM THE BOARD

7. VOTING BY POLL

In compliance with the Listing Rules, all resolutions will be voted on by way of poll at the Annual General Meeting. After the conclusion of the Annual General Meeting, the results of the poll will be published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.hk217.com).

8. RECOMMENDATION

The Directors consider that the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of the Directors, the re-appointment of the Auditors, and the declaration of the final dividend, are all in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all resolutions to be proposed at the Annual General Meeting.

9. 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.

Yours faithfully,
By order of the Board
China Chengtong Development Group Limited
Zhang Bin
Chairman

The following explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules allow companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange or any other stock exchange on which the securities of the company may be listed and which has been recognised by the SFC subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by passing an ordinary resolution at a general meeting, either by way of a general repurchase mandate or by specific approval granted to a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 5,964,635,045 issued Shares.

Subject to the passing of the proposed resolution concerning the grant of the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company will be allowed to repurchase up to 596,463,504 Shares under the Repurchase Mandate.

3. REASONS FOR THE REPURCHASE

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

4. FUNDING OF REPURCHASES

Repurchases will be financed by the funds that are legally available for such purposes in accordance with the then prevailing articles of association of the Company and the laws of Hong Kong.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might materially impact on the working capital and/or the gearing position of the Company as compared with the position as at 31 December 2022, being the date of its latest audited consolidated financial statements. However, the Directors do not intend 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 position of the Company unless the Directors consider that such purchases are in the best interests of the Company and the Shareholders.

5. SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Stock Exchange in each of the 12 months immediately preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
May	0.167	0.139
June	0.168	0.133
July	0.167	0.145
August	0.160	0.130
September	0.148	0.120
October	0.150	0.093
November	0.132	0.098
December	0.143	0.109
2023		
January	0.138	0.104
February	0.129	0.100
March	0.122	0.098
April	0.130	0.104
May (up to the Latest Practicable Date)	0.117	0.102

6. THE TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT

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

As at the Latest Practicable Date, CCHK, the Company's holding company, was interested in 3,169,656,217 Shares, representing approximately 53.14% of the total issued Shares of the Company. The entire issued share capital of CCHK is beneficially owned by CCHG. On the basis that there will be no further issue or repurchase of Shares during the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the beneficial interests of CCHK in the issued Shares of the Company would increase to approximately 59.05% if the Repurchase Mandate were exercised in full. The Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any repurchase of Shares made under the Repurchase Mandate, nor do the Directors intend to exercise the Repurchase Mandate in full.

In the event that the Repurchase Mandate were exercised in full, the number of Shares held by the public would not fall below 25%.

7. SHARE REPURCHASES BY THE COMPANY

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

8. GENERAL

None of the Directors and (to the best of their knowledge having made all reasonable enquiries) their close associates (as defined in the Listing Rules) currently intend to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as relevant rules are applicable, they will only exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company of his/her/its present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any Shares held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

The biographical details and other particulars of the Directors who will retire at the Annual General Meeting and will offer themselves for re-election thereat according to the Articles are set out below:

MR. ZHANG BIN, AGED 54, EXECUTIVE DIRECTOR

Length of service and remuneration

Mr. Zhang joined the Group in July 2010. He was appointed as an executive Director with effect from 30 January 2014 and served as the Acting Chairman of the Board with effect from 1 December 2018 until he was appointed as the Chairman of the Board on 26 June 2019. Mr. Zhang also served as the Managing Director of the Company from 15 June 2017 to 22 October 2019. Pursuant to the director's appointment letter signed between Mr. Zhang and the Company, Mr. Zhang has been appointed as an executive Director for a period from 1 July 2022 to 30 June 2023, subject to early termination by two-month prior notice by either party and the rotation and re-election requirements under the Articles. Pursuant to his appointment letter, Mr. Zhang is not entitled to receive any director's fee while he is entitled to discretionary bonus as may be determined with reference to his performance and to participate in the share option scheme and/or share award scheme adopted by the Company (if any).

Mr. Zhang is currently also a director of a subsidiary of the Company, the chairman of the executive committee of the Company, and a member of both the remuneration committee of the Company and the Nomination Committee. Save as aforesaid, Mr. Zhang did not hold any other position in the Company and other members of the Group as at the Latest Practicable Date.

Qualification and experience

Mr. Zhang holds an EMBA degree from China Europe International Business School and a doctorate degree from Peking University. He also undertook postdoctoral research in Rutgers University and North Carolina State University in the United States of America. Mr. Zhang has rich experience in corporate management. Save for the Company, Mr. Zhang did not hold any directorship in any other listed companies in the last three years.

Interests in shares, underlying shares or debentures

As at the Latest Practicable Date, Mr. Zhang had an interest in 314,642 Shares, representing approximately 0.0053% of the total issued share capital of the Company. Other than the said interest, Mr. Zhang was not interested or deemed to be interested in any other shares, underlying shares or debentures of the Company or its associated corporations within the meaning of Part XV of the SFO.

Relationship

Mr. Zhang is currently the chairman of CCHK, the controlling shareholder of the Company. Save as disclosed herein, Mr. Zhang does not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Others

Save as disclosed above, there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters in relation to the re-election of Mr. Zhang that need to be brought to the attention of the Shareholders.

MR. GU HONGLIN, AGED 45, EXECUTIVE DIRECTOR

Length of service and remuneration

Mr. Gu joined the Group as an executive Director in December 2022. Pursuant to the director's appointment letter signed between Mr. Gu and the Company, Mr. Gu has been appointed as an executive Director for a period from 23 December 2022 to 30 June 2023, subject to early termination by two-month prior notice by either party and the rotation and re-election requirements under the Articles. Pursuant to his appointment letter, Mr. Gu is not entitled to receive any director's fee while he is entitled to discretionary bonus as may be determined with reference to his performance and to participate in the share option scheme and/or share award scheme adopted by the Company (if any).

Mr. Gu is currently also a member of both the executive committee and the environmental, social and governance committee of the Company. Save as aforesaid, Mr. Gu did not hold any other position in the Company and other members of the Group as at the Latest Practicable Date.

Qualification and experience

Mr. Gu obtained a bachelor's degree in Management from Beifang Jiaotong University (currently known as Beijing Jiaotong University) and a master's degree in Management from Renmin University of China. Mr. Gu is a non-practicing certified public accountant and a certified tax adviser in the PRC. During the period from 2001 to 2012, Mr. Gu worked in various private companies in the PRC mainly responsible for financial management and accounting matters.

In January 2013, Mr. Gu joined CCHG and served as a senior financial manager and then the head of the equity management department of CCHG, and later served as the deputy general manager of Beijing Chengyang Investment Company Limited, a wholly-owned subsidiary of CCHG. Mr. Gu has been a member of the executive committee and the chief accountant of CCHK since December 2021 and October 2022 respectively. He is also a director and the financial manager of China Chengtong (Hong Kong) Asset Management Company Limited and China Chengtong Investment Company Limited, both are wholly-owned by CCHK. China Chengtong (Hong Kong) Asset Management Company Limited is a company licensed by the SFC (central entity number: BHF234) to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO. Mr. Gu is also the financial manager of Chengtong (Shenzhen) Investment Company Limited, which is also a wholly-owned subsidiary of CCHK.

In addition, Mr. Gu is a supervisor of Dongxing Securities Corporation Limited, whose shares are listed on the Shanghai Stock Exchange. Save for the Company, Mr. Gu did not hold any directorship in any other listed companies in the last three years.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Interests in shares, underlying shares or debentures

As at the Latest Practicable Date, Mr. Gu was not interested or deemed to be interested in any shares, underlying shares or debentures of the Company or its associated corporations within the meaning of Part XV of the SFO.

Relationship

Save as disclosed above, Mr. Gu does not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company.

Others

Save as disclosed above, there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters in relation to the re-election of Mr. Gu that need to be brought to the attention of the Shareholders.

PROFESSOR HE JIA, AGED 68, INDEPENDENT NON-EXECUTIVE DIRECTOR

Length of service and remuneration

Professor He joined the Group as an independent non-executive Director in September 2015. Pursuant to the director's appointment letter signed between Professor He and the Company, Professor He has been appointed as an independent non-executive Director for a period from 1 July 2022 to 30 June 2023, subject to early termination by two-month prior notice by either party and the rotation and re-election requirements under the Articles. Pursuant to his appointment letter, Professor He is entitled to receive a monthly payment of HK\$30,000 as his director's fee, which was determined with reference to his qualifications, experience and level of responsibilities undertaken and the prevailing market conditions. Professor He is also entitled to participate in the share option scheme and/or share award scheme adopted by the Company (if any).

Professor He is currently also the chairman of the remuneration committee of the Company and a member of both the audit committee and the environmental, social and governance committee of the Company. Save as aforesaid, Professor He did not hold any other position in the Company and other members of the Group as at the Latest Practicable Date.

Qualification and experience

Professor He holds a PhD degree in Finance from the Wharton School of University of Pennsylvania, the United States of America. Currently, he is the Dean of Shanghai North Bund Finance Institute, a member of the Finance Development Decision-making Consultation Committee of Shenzhen, the Changjiang Scholar Chair Professor of the Ministry of Education, the Chair Professor of Shandong University, the University Professor of Zhejiang University, and an executive director and academic member of the China Society for Finance and Banking.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Professor He was a financial consultant for the Chengdu and Quanzhou municipal governments. He was also a jointly appointed professor at the Tsinghua University, the leading professor of the Faculty of Financial Mathematics and Engineering at the South University of Science and Technology, a professor of the Department of Finance and a director of the MBA program in Finance at the Chinese University of Hong Kong. He was also an editor of China Financial Economics Review, and served as a member of the editorial committee of a number of journals, including China Accounting and Finance Review and Research in Banking and Finance. Professor He was a member of the Planning and Development Committee of China Securities Regulatory Commission from June 2001 to August 2002, and a director of integrated research institute of the Shenzhen Stock Exchange from June 2001 to October 2002.

Professor He is currently an independent non-executive director of Bank of Tianjin Co., Ltd. (the shares of which are listed on the Stock Exchange) and an independent director of Xinlong Holding (Group) Co., Ltd. (the shares of which are listed on the Shenzhen Stock Exchange).

Professor He was previously an independent non-executive director of a number of listed companies in Hong Kong and Shanghai, including Wealthking Investments Limited, Shanghai Junshi Biosciences Co., Ltd. and CITIC Securities Company Limited. He was also an independent director of a number of listed companies in Shanghai and Shenzhen, including Norinco International Cooperation Company Limited, Tibet Huayu Mining Co., Ltd., Tsinghua Tongfang Co., Ltd., Xgd Inc. and Shenzhen Soling Industrial Co., Ltd.. He was also an independent director of China Investment Securities Co., Ltd..

Save as disclosed above, Professor He did not hold any directorship in any other listed companies in the last three years.

Interests in shares, underlying shares or debentures

As at the Latest Practicable Date, Professor He was not interested or deemed to be interested in any shares, underlying shares or debentures of the Company or its associated corporations within the meaning of Part XV of the SFO.

Relationship

Professor He does not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholder of the Company.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Others

Professor He was a director of the following companies incorporated in Hong Kong prior to their respective dissolution:

Name of company	Nature of business prior to dissolution	Date of dissolution	Means of dissolution	Details of dissolution
Bohong Asset Management (Hong Kong) Limited (“Bohong Asset”)	Has not commenced business since incorporation	16 August 2013	Striking off under section 291 of the Predecessor Companies Ordinance (Chapter 32 of the Laws of Hong Kong)	The Companies Registrar (“Registrar”) may strike defunct company off the register if the Registrar has reasonable cause to believe that a company is not carrying on business or in operation. In this connection, Bohong Asset was eventually struck off by the Registrar as a defunct company and was dissolved.
Hong Kong International Finance Innovation Limited (“HKIFI”)	Financial education	12 May 2023	Application for deregistration under section 750 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)	Application for deregistration was made by Professor He as a director of HKIFI on 21 December 2022. HKIFI was eventually deregistered by the Registrar and was dissolved.

Professor He confirmed that there is no wrongful act on his part leading to the dissolutions of these companies and he is not aware of any actual or potential claim which has been or will be made against him as a result of such dissolutions, and that no misconduct or misfeasance has been involved in the dissolutions of these companies.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters in relation to the re-election of Professor He that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

中國誠通發展集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 217)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“**Meeting**”) of China Chengtong Development Group Limited (“**Company**”) will be held at Boardroom 3–4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Monday, 26 June 2023 at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2022.
2. To declare and approve a final dividend of HK0.39 cent per ordinary share of the Company for the year ended 31 December 2022.
3. To pass the following resolutions, each as a separate resolution:
 - A. To re-elect Mr. Zhang Bin as an executive director of the Company.
 - B. To re-elect Mr. Gu Honglin as an executive director of the Company.
 - C. To re-elect Professor He Jia as an independent non-executive director of the Company.
 - D. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
4. To re-appoint Baker Tilly Hong Kong Limited as the auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.

The Company has received a special notice from one of its shareholders pursuant to sections 400 and 578 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) of the intention to propose the following resolution as an ordinary resolution:

“**THAT** Baker Tilly Hong Kong Limited be re-appointed as the auditors of the Company to hold office from the conclusion of the Annual General Meeting until the next annual general meeting of the Company at a remuneration to be fixed by the board of directors of the Company.”

NOTICE OF ANNUAL GENERAL MEETING

To consider and, if thought fit, pass, with or without modifications, the following resolutions as ordinary resolutions:

5. “**THAT:**

- (a) subject to paragraph (c) of this resolution, pursuant to Sections 140 and 141 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (“**Companies Ordinance**”) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”), the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company to allot, issue or otherwise deal with the shares of the Company (“**Shares**”) and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares), which might require the exercise of such powers, be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the authority granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under any share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend scheme or similar arrangements providing for the allotment and 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 in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (i) 20% of the number of issued Shares as at the date of passing of this resolution; and
 - (ii) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate number of Shares repurchased by the Company subsequent to the passing of this resolution (up to 10% of the number of issued Shares as at the date of passing of that separate ordinary resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

- (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 time immediately before and after such consolidation or subdivision shall be the same;
- (e) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of passing of this resolution until 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 to be held by the articles of association of the Company, the Companies Ordinance or any applicable law of Hong Kong; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares whose names appear on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

6. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as defined in paragraph (d) below) of all powers of the Company to repurchase shares of the Company (“**Shares**”) 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 (“**SFC**”) and the Stock Exchange for such purpose, or otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (“**Companies Ordinance**”) and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate number of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the authority granted in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the number of issued Shares as at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution 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 time 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 date of passing of this resolution until 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 to be held by the articles of association of the Company, the Companies Ordinance or any applicable law of Hong Kong; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
7. “**THAT** conditional on the passing of the resolutions numbered 5 and 6 above, the authority granted to the directors of the Company (“**Directors**”) pursuant to resolution numbered 5 above be and is hereby extended by the addition to the aggregate number of shares of the Company (“**Shares**”) which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to or in accordance with such authority of an amount representing the aggregate number of Shares repurchased by the Company pursuant to or in accordance with the authority granted under resolution numbered 6 above.”

By order of the Board
China Chengtong Development Group Limited
Zhang Bin
Chairman

1 June 2023

Registered address in Hong Kong:
Suite 6406, 64th Floor
Central Plaza
18 Harbour Road
Wanchai, Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) A shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote in his/her/its stead. A proxy need not be a shareholder of the Company. In case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder are present at the Meeting, whether in person or by proxy, that one of the joint holders whose name stands first on the register of members of the Company in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.
- (2) The Company does not in any way wish to diminish the opportunity available to the shareholders of the Company to exercise their rights and to vote, but is conscious of the pressing need to protect the shareholders from possible exposure to the coronavirus pandemic. **For the health and safety of the shareholders, the Company would like to encourage shareholders to exercise their right to vote at the Meeting by appointing the chairman of the Meeting as their proxy instead of attending the Meeting in person. Physical attendance is not necessary for the purpose of exercising shareholders' rights.**
- (3) To be valid, the form of proxy together with any power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 10:00 a.m. on Friday, 23 June 2023 or not later than 48 hours before the time appointed for holding any adjournment or postponement of the Meeting. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the Meeting or any adjournment or postponement thereof should they so wish and, in such event, the form of proxy previously submitted shall be deemed to be revoked.
- (4) The record date for determining the entitlement of the shareholders of the Company to attend and vote at the Meeting will be Monday, 26 June 2023 and the register of members of the Company will be closed from Tuesday, 20 June 2023 to Monday, 26 June 2023, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be entitled to attend and vote at the Meeting, all completed share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 19 June 2023.
- (5) For determining the entitlement to the final dividend for the year ended 31 December 2022, the register of members of the Company will be closed on Friday, 7 July 2023, on which day no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend for the year ended 31 December 2022, all completed share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 6 July 2023.
- (6) The above resolutions will be voted by way of poll as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
- (7) If a tropical cyclone warning signal no. 8 or above is hoisted, or "extreme conditions" caused by a super typhoon or a black rainstorm warning is in force at or at any time after 7:00 a.m. on the date of the Meeting, the Meeting will be postponed. The Company will post an announcement on the websites of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the Company (www.hk217.com) to notify the shareholders of the Company of the date, time and place of the rescheduled meeting. The Meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force. Shareholders of the Company should decide on their own whether they would attend the Meeting under bad weather condition bearing in mind their own situations.

As at the date of this notice, the executive directors of the Company are Mr. Zhang Bin, Mr. Yang Tianzhou and Mr. Gu Honglin; and the independent non-executive directors of the Company are Professor Chang Qing, Mr. Lee Man Chun, Tony and Professor He Jia.