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If you have sold all your shares in China Dongxiang (Group) Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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DONGXIANG

China Dongxiang (Group) Co., Ltd.

中國動向（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3818)

**RE-ELECTION OF DIRECTORS
GENERAL MANDATE TO ISSUE SHARES
GENERAL MANDATE TO REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of China Dongxiang (Group) Co., Ltd. to be held at G/F., Lobby Area, Building 21, No. 2 Jingyuanbei Street, Beijing Economic-Technology Development Area, Beijing, the People's Republic of China on 17 August 2022 at 10:00 a.m. is set out in this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

12 July 2022

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DEFINITIONS

In this circular, unless the context states otherwise, the following expressions have the following meaning:

“2021/2022 Annual Report”	the annual report of the Company for the twelve months ended 31 March 2022 dispatched to the Shareholders together with this circular
“AGM”	the annual general meeting of the Company to be held at G/F., Lobby Area, Building 21, No. 2 Jingyuanbei Street, Beijing Economic-Technology Development Area, Beijing, the People’s Republic of China on 17 August 2022 at 10:00 a.m., notice of which is set out in this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Company”	China Dongxiang (Group) Co., Ltd. (中國動向(集團)有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Hong Kong Stock Exchange
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	27 June 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“RMB”	Renminbi, lawful currency of PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s) in issue
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.



China Dongxiang (Group) Co., Ltd.

中國動向（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3818)

Executive Directors:

Mr. Chen Yihong (陳義紅)
Ms. Chen Chen (陳晨)
Mr. Zhang Zhiyong (張志勇)
Mr. Lyu Guanghong (呂光宏)

Registered Address:

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

Independent Non-Executive Directors:

Dr. Chen Guogang (陳國鋼)
Mr. Gao Yu (高煜)
Mr. Liu Xiaosong (劉曉松)

*Principal place of business
in Hong Kong:*

Office Unit 7, 13/F
Tower One, Lippo Centre
No. 89 Queensway
Hong Kong

12 July 2022

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS
GENERAL MANDATE TO ISSUE SHARES
GENERAL MANDATE TO REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give Shareholders information on matters to be dealt with at the forthcoming AGM, which include the (i) re-election of Directors; and (ii) grant of general mandates to issue and repurchase Shares.

LETTER FROM THE CHAIRMAN

RE-ELECTION OF DIRECTORS

In relation to resolution No. 2(a) in the notice of the AGM, Mr. Lyu Guanghong (an executive Director), Mr. Gao Yu and Mr. Liu Xiaosong (both independent non-executive Directors) shall retire at the AGM by rotation pursuant to Article 87 of the Articles of Association and the Corporate Governance Code set out in Appendix 14 of the Listing Rules (“CG Code”) and, being eligible, offer themselves for re-election. The re-election of Directors has been reviewed by the Nomination Committee of the Board which made recommendation to the Board that the re-election be proposed for Shareholders’ approval at the AGM.

Pursuant to the code provision B.2.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, any further appointment of independent non-executive director serving more than 9 years shall be subject to a separate resolution to be approved by shareholders.

As part of the nomination process, in accordance with the nomination policy of the Company, the nomination committee of the Company has assessed Mr. Gao’s role as an independent non-executive Director, taking into account factors including but not limited to Mr. Gao’s reputation for integrity, experience, ability to assist the Board, perspectives and skills, and commitment while having due regard to the board diversity policy of the Company. As Mr. Gao has been providing objective and independent views to the Company during his tenure of office, the nomination committee was of the view that Mr. Gao remains committed to his independent role and that the long service of Mr. Gao would not affect his exercise of independent judgement as an independent non-executive Director. The length of tenure of Mr. Gao Yu as an independent non-executive director as at the Latest Practicable Date was approximately nine years.

After taking into account all the factors for assessing independence as set out in Rule 3.13 of the Listing Rules and considering his annual confirmation of independence to the Company and the assessment by the nomination committee, the Board is of the opinion that Mr. Gao maintains his independence notwithstanding the length of his service and believes that his valuable knowledge and extensive experience continue to generate significant contribution to the Board, the Company and the Shareholders as a whole. The Board further considers Mr. Gao is still capable of bringing a valuable and different perspective and independent judgment to bear on issues of strategy, performance, accountability, key appointments and standards of conduct. The re-election of Directors has been reviewed by the Nomination Committee of the Board which made recommendation to the Board that the re-election be proposed for Shareholders’ approval at the AGM.

The biographical details and interests in the Shares of the Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

By an ordinary resolution passed by the Shareholders on 18 August 2021, general and unconditional mandates were granted to the Directors to issue and repurchase certain amount of Shares. Up to the Latest Practicable Date, the Directors have not exercised any

LETTER FROM THE CHAIRMAN

such mandates to issue or repurchase Shares and such mandates will expire at the closing of the AGM. The Directors believe that renewal of such general mandates is in the interest of the Company and the Shareholders. Accordingly, the following ordinary resolutions will be proposed at the AGM in order to grant to the Directors the new general and unconditional mandates to exercise the powers of the Company to issue and repurchases Shares:

- (i) an ordinary resolution (resolution No. 4) to grant to the Directors a general and unconditional mandate to authorise them to allot, issue and deal with the additional Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “Issue Mandate”);
- (ii) an ordinary resolution (resolution No. 5) to grant to the Directors a general and unconditional mandate to authorise them to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “Repurchase Mandate”); and
- (iii) conditional upon the passing of the resolutions No. 4 and No. 5 as stated above, an ordinary resolution (resolution No. 6) to extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares purchased by the Company under the Repurchase Mandate provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM.

On the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed to allot and issue a maximum of 1,177,512,204 Shares under the Issue Mandate and to repurchase a maximum of 588,756,102 Shares under the Repurchase Mandate.

Shareholders are invited to refer to the notice of the AGM set out in this circular for details of the above mentioned ordinary resolutions. An explanatory statement, as required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate, is also set out in Appendix II to this circular. Such Appendix contains all the information which is reasonably necessary to enable the Shareholders to make an informed decision on whether or not to vote for or against the ordinary resolution to grant the Repurchase Mandate at the AGM.

ANNUAL GENERAL MEETING

Set out on pages 12 to 15 of this circular is the notice of the AGM to be held on 17 August 2022. A form of proxy for use in connection with the AGM is enclosed. Whether or not you are able to attend the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the commencement of the AGM or any adjournment thereof. 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.

LETTER FROM THE CHAIRMAN

In accordance with Rule 13.39(4) of the Listing Rules, all votes of the Shareholders to be taken at the AGM shall be taken by poll.

RECOMMENDATION

The Directors believe that the proposals mentioned above, including the proposals for the re-election of the retiring Directors, the grant of the general mandates to issue, allot and repurchase Shares and the extension of the Issue Mandate are in the interests of the Company and the Shareholders. The Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the AGM.

Yours faithfully,
Chen Yihong
Chairman

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

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

EXECUTIVE DIRECTOR

Mr. Lyu Guanghong (吕光宏), aged 43, is the executive director and chief financial officer of the Company. Mr. Lyu is principally responsible for preparing annual financial budget of the Group, organising and directing accounting audit, taxation planning and financial analysis, capital resources allocation of the Group, operation of investment projects and wealth management projects of the Group, organising statutory audit and information disclosure of the Group, maintaining long-term cooperation with shareholders and investors of the Company, formulating and optimising internal control and internal audit system of the Company, establishing and supervising the execution of audit plan as well as preventing and controlling management risks of the Company. Mr. Lyu joined the Group in October 2008. He acted as the manager of the finance department from November 2013 to February 2015. Prior to his appointment as the executive director and chief financial officer of the Company, Mr. Lyu has been the director of the investment and fund management department of the Company since February 2015, during which he was responsible for investment management, listing compliance, investor relations and other internal management of the Group.

Prior to joining the Group, from September 2004 to September 2008, Mr. Lyu was the deputy manager of the financial audit department at China Jushi Co., Ltd. (中國巨石股份有限公司) (stock code: 600176.SH) (“China Jushi”). His major duties included financial analysis and taxation of China Jushi.

Mr. Lyu obtained his bachelor’s degree in economics and master’s degree in management from Nankai University (南開大學). He is a member of the Chinese Institute of Certified Public Accountants and an intermediate accountant.

Mr. Lyu is currently a director of Shanghai Kappa Kids Sporting Goods Co., Ltd. (上海卡帕動力兒童用品有限公司), an indirect wholly-owned subsidiary of the Company.

Save as disclosed above, Mr. Lyu did not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

Mr. Lyu has entered into a service agreement with the Company for an initial term of three years subject to the retirement by rotation and re-election at the annual general meeting of the Company. Mr. Lyu is entitled to annual salary (before tax) of approximately RMB920,612, director fee of HK\$193,600 per annum, discretionary bonus and other benefit at the sole and absolute discretion of the Board and its Remuneration Committee. Mr. Lyu’s remuneration was determined with reference to his duties and responsibilities, experience, performance and market conditions as well as the remuneration benchmark in the industry.

As at the Latest Practicable Date, Mr. Lyu was deemed to be interested in, within the meaning of Part XV of the SFO, 10,000,000 Shares and 6,000,000 share options, in aggregate representing 0.27% of the total issued share capital of the Company. Save as

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

disclosed above, Mr. Lyu had no other interests in the Shares, underlying Shares and debenture of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed, to the best knowledge and belief of the Board, having made all reasonable enquiries, Mr. Lyu does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

There is no information which is disclosable nor is/was Mr. Lyu involved in any matters required to be disclosed pursuant to any of the requirements under Rule 13.51 of the Listing Rules. There are no other matters concerning Mr. Lyu that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Gao Yu (高煜), aged 48, is the independent non-executive director of the Company and joined the Company in July 2007. He is currently the managing director of the Private Equity Division of Morgan Stanley Asia Limited, and he primarily focuses on private equity investment activities in China. He is an independent non-executive director of Sparkle Roll Group Ltd. (耀萊集團有限公司), China Feihe Limited (中國飛鶴有限公司) and Home Control International Limited's non-executive directors which are listed on the main board of Hong Kong Stock Exchange. He is also a director of Shandong Buchang Pharmaceuticals Co., Ltd. (山東步長製藥股份有限公司) which is listed on Shanghai Stock Exchange. Mr. Gao has resigned as an independent director of AMTD International Inc. which is listed on New York Stock Exchange (NYSE: HKIB) since February 2022.

Prior to joining Morgan Stanley Asia Limited, he worked in Citigroup's Investment Banking Division in Asia for about five years. Mr. Gao had also worked in Donaldson, Lufkin & Jenrette Inc's Capital Markets Group in New York.

Mr. Gao graduated from Stanford University with a Master's degree in engineering economic systems and operations research as well as from Tsinghua University (清華大學) in Beijing with dual Bachelors' degrees in engineering and economics.

Save as disclosed above, Mr. Gao did not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

Mr. Gao had executed an appointment letter with the Company for an initial term of one year subject to the retirement by rotation and re-election at the annual general meeting of the Company. Mr. Gao is entitled to an annual remuneration of HK\$220,000.

As at the Latest Practicable Date, Mr. Gao had no interests in any Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed, to the best knowledge and belief of the Board, having made all reasonable enquiries, Mr. Gao does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

There is no information which is disclosable nor is/was Mr. Gao involved in any matters required to be disclosed pursuant to any of the requirements under Rule 13.51 of the Listing Rules. There are no other matters concerning Mr. Gao that need to be brought to the attention of the Shareholders of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Liu Xiaosong (劉曉松), aged 56, is the independent non-executive director of the Company and joined the Company in March 2019. Mr. Liu has diversified experience in the technology, media and telecommunications industry. He is one of the co-founders of Tencent Holdings Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (Stock Code: 00700.HK). In 2004, Mr. Liu was admitted to the Shenzhen Experts Working Union. Mr. Liu was appointed as the vice president of the Copyright Union of the Internet Society of China and the Copyright Society of China in August 2007 and September 2007 respectively. He is also the vice president of the Shenzhen Hi-tech Association. He is currently an executive director, the chairman and the chief executive officer of A8 New Media Group Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 00800.HK). Mr. Liu is also a non-executive director of Inke Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 3700.HK). Mr. Liu graduated from Hunan University in the PRC in 1984 with a Bachelor’s degree in Electrical Engineering. In 1987, Mr. Liu graduated from China Electric Power Research Institute in the PRC with a Master’s degree in Engineering. In 1991, he studied at Tsinghua University as a PhD research student.

Save as disclosed above, Mr. Liu did not hold directorships in any other listed companies in the last three years preceding the Latest Practicable Date.

Mr. Liu had executed an appointment letter with the Company for an initial term of one year subject to the retirement by rotation and re-election at the annual general meeting of the Company. Mr. Liu is entitled to an annual remuneration of HK\$220,000.

As at the Latest Practicable Date, Mr. Liu had no interests in any Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed, to the best knowledge and belief of the Board, having made all reasonable enquiries, Mr. Liu does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

There is no information which is disclosable nor is/was Mr. Liu involved in any matters required to be disclosed pursuant to any of the requirements under Rule 13.51 of the Listing Rules. There are no other matters concerning Mr. Liu that need to be brought to the attention of the Shareholders of the Company.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to the Shareholders for their consideration of the proposed resolutions in relation to the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,887,561,025 Shares. Subject to the passing of resolution No. 5 approving the Repurchase Mandate as set out in the notice of the AGM appearing in this circular and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 588,756,102 Shares until (i) the conclusion of the next annual general meeting; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (iii) the revocation by ordinary resolution of Shareholders in general meeting, whichever is the earliest.

REASON FOR REPURCHASES

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

FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of Cayman Islands.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with its financial position as disclosed in the 2021/2022 Annual Report) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. The Directors, however, do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors may from time to time be appropriate for the Company.

TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholder's

interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rule 26 and Rule 32 of the Takeovers Code and the provision may apply as a result of any such increase.

As at the Latest Practicable Date, Mr. Chen Yihong, Chairman of the Company, (through Poseidon Sports Limited) and parties acting in concert with him were deemed to be interested in 2,589,670,472 Shares, representing 43.99% of the total issued Share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, then (assuming the present shareholdings of Mr. Chen Yihong and parties acting in concert with him remain the same) the interests held by Mr. Chen Yihong and parties acting in concert with him would be increased to approximately 48.87% of the issued share capital of the Company. On the exercise of Repurchase Mandate in full may result in Mr. Chen Yihong and parties acting in concert with him becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is exercised.

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

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

SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any Share (whether on the Hong Kong Stock Exchange or otherwise) during the 6 months prior to the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Hong Kong Stock Exchange during each month prior to the Latest Practicable Date were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
June	1.42	0.96
July	1.42	0.96
August	1.13	0.87
September	1.04	0.81
October	0.92	0.81
November	0.84	0.70
December	0.75	0.64
2022		
January	0.73	0.65
February	0.70	0.59
March	0.61	0.405
April	0.51	0.42
May	0.455	0.37
June (up to the Latest Practicable Date)	0.50	0.41



China Dongxiang (Group) Co., Ltd.

中國動向（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3818)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of China Dongxiang (Group) Co., Ltd. (the “Company”) will be held at G/F., Lobby Area, Building 21, No. 2 Jingyuanbei Street, Beijing Economic-Technology Development Area, Beijing, the People’s Republic of China on 17 August 2022 (“2022 AGM”) at 10:00 a.m. for the following purposes:

As ordinary business:

1. To receive and adopt the audited financial statements and the reports of the directors (“Directors”) and the auditors of the Company for the twelve months ended 31 March 2022.
2. (a) To re-elect the following retiring Directors of the Company:
 - (i) Mr. Lyu Guanghong as an executive director;
 - (ii) Mr. Gao Yu as an independent non-executive director; and
 - (iii) Mr. Liu Xiaosong as an independent non-executive director.
- (b) To authorise the board of Directors (“Board”) of the Company to fix the directors’ remuneration.
3. To re-appoint Messrs. PricewaterhouseCoopers, Certified Public Accountants, as the auditors of the Company until the conclusion of the next annual general meeting in 2023 and authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and, if thought fit, to pass with or without modification, the following resolutions as ordinary resolutions of the Company:

4. **“THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined in paragraph (d) below) all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 in the share capital of the Company (“Shares”) and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;
- (b) the mandate in paragraph (a) shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Right Issue (as defined in paragraph (d) below); or (ii) any option scheme or similar arrangement for the time being adopted by the Company for the purpose of granting or issuing Shares or rights to acquire Shares of the Company to the directors, officers and/or employees of the Company and/or any of its subsidiaries; or (iii) any scrip dividend or similar arrangement pursuant to the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution and the said mandate shall be limited accordingly;
- (d) for the purpose of this Resolution:

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

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

NOTICE OF ANNUAL GENERAL MEETING

“Right Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company 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, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

5. **“THAT:**

(a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as defined in paragraph (b) below) all the powers of the Company to purchase or otherwise acquire Shares in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate nominal amount of Shares so purchased or otherwise acquired shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution;

(b) for the purpose of this Resolution:

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

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

6. **“THAT,** conditional upon the passing of resolutions No. 4 and No. 5 above, the aggregate nominal amount of the Shares which are purchased or otherwise acquired by the Company pursuant to resolution No. 5 shall be added to the aggregate nominal amount of the Shares which may be issued pursuant to resolution No. 4, provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution.”

By order of the Board
Chen Yihong
Chairman

Hong Kong, 12 July 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) A shareholder entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- (2) A form of proxy for use at the above meeting (or at any adjournment thereof) is enclosed. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the commencement of the meeting or any adjournment thereof.
- (3) To ascertain shareholders' eligibility to attend and vote at the annual general meeting, the register of members will be closed from 12 August 2022 to 17 August 2022 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify to attend and vote at the annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 11 August 2022.
- (4) An explanatory statement containing further details in respect of resolution No. 5 is included in this circular.
- (5) If a Typhoon Signal No.8 or above is hoisted or a Black Rainstorm Warning Signal is in force on the date of the meeting, shareholders are suggested to visit the Company's website at (www.dxsport.com) for arrangements of the meeting.

The meeting will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.

- (6) No refreshments or drinks or corporate gifts will be provided to attendees at the AGM.
- (7) For health and safety reasons, the Company would like to remind Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising their voting rights, and the Company strongly encourages Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy instead of attending the AGM in person.

Shareholders and participants attending the AGM are advised to arrive at the venue as early as possible due to the precautionary measures may cause delay in the registration process.