
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 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 **Prinx Chengshan Holdings Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Prinx Chengshan Holdings Limited

浦林成山控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1809)

- (1) DECLARATION OF FINAL DIVIDEND**
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(3) RE-ELECTION OF RETIRING DIRECTORS
(4) RE-APPOINTMENT OF AUDITORS
(5) PROPOSED ADOPTION OF THE NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION
AND
(6) NOTICE OF THE ANNUAL GENERAL MEETING
-

A notice convening an annual general meeting of Prinx Chengshan Holdings Limited to be held at the meeting room A202 of Prinx Chengshan (Shandong) Tire Company Limited, No.98, Nanshan North Road, Rongcheng City, Shandong Province, the PRC, on Thursday, June 16, 2022 at 10:00 a.m. is set out on pages 34 to 38 of this circular. A proxy form for use at the annual general meeting is enclosed with the notice of the annual general meeting.

Such proxy form is also published on the websites of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the Company (<http://www.prinxchengshan.com>). Whether or not you are able to attend the annual general meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the completed proxy form 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 time appointed for holding of the annual general meeting (i.e. not later than 10:00 a.m. on Tuesday, June 14, 2022) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish and in such event, the proxy form shall be deemed to be revoked.

May 13, 2022

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DEFINITIONS

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

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| “AGM” or “2022 AGM” | an annual general meeting of the Company to be convened and held at the meeting room A202 of Prinx Chengshan (Shandong) Tire Company Limited, No.98, Nanshan North Road, Rongcheng City, Shandong Province, the PRC on Thursday, June 16, 2022 at 10:00 a.m. or any adjournment thereof |
| “Articles” | the articles of association of the Company as amended from time to time |
| “Board” | the board of Directors |
| “Che Family” | Che Hongzhi, Li Xiuxiang, Che Baozhen and Bi Wenjing, each being one of the Controlling Shareholders |
| “Chengshan Group” | Chengshan Group Company Limited (成山集團有限公司), a limited liability company established in the PRC on January 8, 1976 and one of the Controlling Shareholders |
| “close associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “Company” | Prinx Chengshan Holdings Limited (浦林成山控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |

DEFINITIONS

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|----------------------------|---|
| “Controlled Entities” | refer to the entities ultimately controlled by the Che Family, being Rongcheng Dongsheng Property Rental Company Limited* (榮成東晟房屋租賃有限公司), Shanghai Chengzhan Information and Technology Center* (上海成展信息科技中心), Beijing Zhongmingxin Investment Company Limited* (北京中銘信投資有限公司), Rongcheng Chengshan Biological Food Technology Research & Development Company Limited* (榮成成山海洋食品技術開發有限公司), Rongcheng Chengyuan Shareholding Investment Centre* (榮成成源股權投資中心), Rongcheng Hongsheng Shareholding Investment Centre* (榮成鴻昇股權投資中心), Rongcheng Chengda Shareholding Investment Centre* (榮成成大股權投資中心), Rongcheng Chenghai Shareholding Investment Centre* (榮成成海股權投資中心), Rongcheng Pucheng Shareholding Investment Centre* (榮成浦成股權投資中心) and Rongcheng Haocheng Shareholding Investment Centre* (榮成浩成股權投資中心) and each a Controlling Shareholder |
| “Controlling Shareholders” | Chengshan Group, the Che Family and the Controlled Entities |
| “Director(s)” | the director(s) of the Company |
| “General Mandates” | the Share Issue Mandate and the Share Repurchase Mandate |
| “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 People’s Republic of China |
| “Latest Practicable Date” | May 4, 2022, 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 |

DEFINITIONS

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|--|---|
| “Memorandum and Articles of Association” | the Memorandum of Association and the Articles |
| “Memorandum of Association” | the memorandum of association of the Company |
| “RMB” | Renminbi, the lawful currency of the People’s Republic of China |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time |
| “Share(s)” | ordinary share(s) of US\$0.00005 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Share Issue Mandate” | the proposed general and unconditional mandate to be granted to the Directors to exercise the power of the Company to allot, issue and deal with additional Shares not exceeding 20% of the total number of issued Shares as at the date of the passing of the relevant resolution granting such mandate |
| “Share Repurchase Mandate” | the proposed general and unconditional mandate to be granted to the Directors to exercise the power of the Company to repurchase Shares on the Stock Exchange of up to a maximum of 10% of the total number of issued Shares as at the date of the passing of the relevant resolution granting such mandate |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended from time to time |
| “%” | per cent |

* For identification purposes only.

LETTER FROM THE BOARD



Prinx Chengshan Holdings Limited

浦林成山控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1809)

Executive Directors:

Mr. Che Baozhen
Mr. Shi Futao
Ms. Cao Xueyu

Non-executive Directors:

Mr. Che Hongzhi
Mr. Wang Lei
Mr. Shao Quanfeng

Independent non-executive Directors:

Mr. Zhang Xuehuo
Mr. Choi Tze Kit Sammy
Mr. Wang Chuansheng

Registered Office:

P.O. Box 472
Harbour Place, 2nd Floor
103 South Church Street
George Town
Grand Cayman KY1-1106
Cayman Islands

Principal Place of Business in the PRC:

No. 98, Nanshan North Road
Rongcheng City
Shandong Province
the PRC

Principal Place of Business in Hong Kong:

Unit A-1, 19/F
Tower A, Billion Centre
1 Wang Kwong Road
Kowloon Bay, Kowloon
Hong Kong

To the Shareholders

Dear Sir or Madam,

**(1) DECLARATION OF FINAL DIVIDEND
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(3) RE-ELECTION OF RETIRING DIRECTORS
(4) RE-APPOINTMENT OF AUDITORS
(5) PROPOSED ADOPTION OF THE NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION
AND
(6) NOTICE OF THE ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the relevant information in respect of, among other matters, (i) declaration of final dividend; (ii) the Share Issue Mandate; (iii) the Share Repurchase Mandate; (iv) the re-election of the retiring Directors; (v) the re-appointment of auditors; and (vi) proposed amendments to the Memorandum and Articles of Association and to give you notice of the AGM relating to, among other matters, these matters.

LETTER FROM THE BOARD

DECLARATION OF FINAL DIVIDEND

Reference is made to the audited annual results announcement for the year ended December 31, 2021 of the Company dated May 10, 2022. The Board has recommended a final cash dividend for the year ended December 31, 2021 of HK\$0.2 per Share, and will be paid around July 27, 2022 to those Shareholders whose names appear on the Company's register of members on June 24, 2022 which is subject to the approval of Shareholders at the AGM and compliance with the Articles and the Companies Law (2018 Revision) of the Cayman Islands. An ordinary resolution will be proposed at the AGM to approve the declaration of the final dividend. Please refer to the Company's audited annual results announcement dated May 10, 2022 for the withholding and payment of enterprise income tax for non-resident enterprises in respect of the proposed final dividend.

GENERAL MANDATE TO ISSUE NEW SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the power of the Company to allot, issue and deal with the number of additional Shares representing up to 20% of the total number of the issued Shares as at the date of passing of the resolution. As at the Latest Practicable Date, the total number of issued Shares was 636,440,000. Assuming that there is no change in the total number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate will be 127,288,000 Shares, representing 20% of the total number of issued Shares.

The Share Issue Mandate will end on 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 pursuant to the Articles or any applicable laws to be held; or (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

Subject to the passing of the following ordinary resolution regarding the Share Repurchase Mandate, an ordinary resolution will also be proposed at the AGM to authorise the Directors to exercise the power of the Company to issue new Shares in an amount not exceeding the total number of the Shares repurchased by the Company pursuant to the Share Repurchase Mandate.

The Directors wish to state that they have no immediate plan to issue any Shares pursuant to the Share Issue Mandate.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the powers of the Company to repurchase issued Shares subject to the criteria set forth in this circular. Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the Share Repurchase Mandate will be such number which represents 10% of the total number of issued Shares as at the date of passing of the resolution subject to the Listing Rules. The Share Repurchase Mandate will end on 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 pursuant to the Articles or any applicable laws to be held; or (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in the general meeting. As at the Latest Practicable Date, the total number of issued Shares was 636,440,000. Assuming that there is no change in the total number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate on the date of passing the resolution approving the Share Repurchase Mandate will be 63,644,000 Shares, representing 10% of total number of issued Shares.

An explanatory statement, as required under Rule 10.06(1)(b) of the Listing Rules to provide the requisite information in connection with the Share Repurchase Mandate, is set forth in Appendix I to this circular.

RE-ELECTION OF RETIRING DIRECTORS

Mr. Che Hongzhi, Mr. Wang Lei and Mr. Choi Tze Kit Sammy shall retire pursuant to Article 108 of the Articles.

All retiring Directors, being eligible, will offer themselves for re-election at the forthcoming AGM. The nomination and remuneration committee of the Board (the “**Nomination and Remuneration Committee**”) assesses the candidate or incumbent based on criteria set out in the nomination policy adopted by the Company including but not limited to their integrity, achievement and experience, time to devote, and interests of the industry which the candidate is in and the diversity brought to the Board by candidate and other standards. The Nomination and Remuneration Committee has evaluated Mr. Che Hongzhi, Mr. Wang Lei and Mr. Choi Tze Kit Sammy.

The Nomination and Remuneration Committee is of the view that Mr. Che Hongzhi, Mr. Wang Lei and Mr. Choi Tze Kit Sammy will continued to bring to the Board perspectives, skills and experience. During their office in the Company, Mr. Che Hongzhi, Mr. Wang Lei and Mr. Choi

LETTER FROM THE BOARD

Tze Kit Sammy actively participated in the Board meetings, the meetings of the committees of the Board and/or the general meetings, and offer their independent opinion, enquiry and advice for the Company's business, operation, future development and strategies. The Nomination and Remuneration Committee believes that personality, character, professional knowledge, ability and experience of Mr. Che Hongzhi, Mr. Wang Lei and Mr. Choi Tze Kit Sammy will continue to enable them to effectively discharge their duties.

Based on the board diversity policy adopted by the Company, Mr. Choi Tze Kit Sammy's integrity, achievement and experience, time to devote, and interests of the industry which he is in, the Nomination and Remuneration Committee considers that the appointment of Mr. Choi Tze Kit Sammy as independent non-executive Director will contribute to the diversity of the Board. In particular, his expertise, experience and skills in corporate governance, as well as finance and auditing fields should allow him to provides valuable professional advice for the business development and investment strategies of the Group. In addition, the Nomination and Remuneration Committee had assessed and reviewed the annual written confirmation of Mr. Choi Tze Kit Sammy based on the independence criteria as set out in Rule 3.13 of the Listing Rules, and is satisfied that he remains independent in accordance with Rule 3.13 of the Listing Rules.

Therefore, the Board, with the recommendation of the Nomination and Remuneration Committee, is of the view that Mr. Che Hongzhi, Mr. Wang Lei and Mr. Choi Tze Kit Sammy are suitable to continue to act as Directors and supports their re-elections as Directors at AGM.

Biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set forth in Appendix II to this circular.

RE-APPOINTMENT OF AUDITORS

PricewaterhouseCoopers, which has audited the consolidated financial statements of the Company for the year ended December 31, 2021, will retire as the auditors of the Company at the AGM and, being eligible, offer themselves for re-appointment.

The Board, upon the recommendation of the audit committee of the Board, proposed to re-appoint PricewaterhouseCoopers as the auditors of the Company and to hold office until the conclusion of the next annual general meeting of the Company and authorize the Board to fix its remuneration.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board is pleased to announce that, in order to (i) bring the Memorandum and Articles of Association in line with the relevant requirements of the applicable laws of the Cayman Islands and the Listing Rules; and (ii) make other consequential and housekeeping amendments, and in view of the number of proposed changes, the Board proposes to seek approval of the Shareholders by special resolution at the AGM to amend the existing Memorandum and Articles of Association by way of adoption of the new Memorandum and Articles of Association. A summary of the major changes brought about by the adoption of the new Memorandum and Articles of Association are set out below:

- 1 to change each reference in the existing Memorandum and Articles of Association to the Companies Law to a reference to the Companies Act;
- 2 to provide that, for quorum purposes only, two persons appointed by the clearing house as authorized representative or proxy shall form a sufficient quorum for general meeting;
- 3 to remove the provision that all or any of the rights attached to any class of Shares may be varied or abrogated with the consent in writing of the holders of not less than $\frac{3}{4}$ in nominal value of the issued Shares of that class and to provide that all or any of the rights attached to any class of Shares may be varied or abrogated with the consent in writing of not less than $\frac{3}{4}$ of the voting rights of the holders of that class;
- 4 to provide that other than the year of the Company's adoption of these Articles, in each financial year during the relevant period the Company shall in each year hold a general meeting as its annual general meeting;
- 5 to remove provision that no more than 15 months (or such longer period as may be authorized by the Stock Exchange) shall elapse between date of one annual general meeting of the Company and that of the next and provide that each annual general meeting must be held within 6 months after the end of each financial year;
- 6 to provide that one or more members holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings, on a one vote per share basis in the share capital of the Company are able to convene an extraordinary general meeting and add resolutions to a meeting agenda in a general meeting;

LETTER FROM THE BOARD

- 7 to provide that the Company's members have right to speak and vote at general meeting except that a member is required to abstain from voting to approve the matter under consideration;
- 8 to provide that any person 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 should then be eligible for re-election;
- 9 to clarify that the Company's members shall have the power by ordinary resolution to remove any director (including a managing director or other executive director) before the expiration of his term of office;
- 10 to provide that the financial year of the Company shall end on 31 December of each year or such date as the Directors may determine;
- 11 to provide that the appointment, removal and remuneration of auditors must be approved by a majority of the Company's members or by body that is independent of the Board except that the Company and such independent body may delegate the fixing of such remuneration to the Board;
- 12 to make other amendments to update or clarify provisions where the Board considers appropriate in accordance with or to better align with the wording in the applicable laws of Cayman Islands and the Listing Rules; and
- 13 to make other housekeeping amendments including consequential amendments in line with the change of the Company's dual foreign names in Chinese and English following the passing of the special resolution at the Company's annual general meeting held on May 17, 2021.

The proposed adoption of the new Memorandum and Articles of Association is subject to the approval of the Shareholders by way of a special resolution at the AGM.

Details of the proposed amendments to the existing Memorandum and Articles of Association (i.e., to amend on the existing Articles of Association) made after the adoption of the new Memorandum and Articles of Association are all set out in Appendix III to this circular. The new Memorandum and Articles of Association is compiled in English and there is no official Chinese translation. As such, the Chinese version of the new Memorandum and Articles of Association is only a translation copy. In case of any discrepancy, the English version shall prevail.

LETTER FROM THE BOARD

The Company's legal advisors as to Hong Kong laws have confirmed that the proposed amendments to the Memorandum and Articles of Association conform with the requirements of the Listing Rules, and the Company's legal advisors as to Cayman Islands laws have confirmed that the proposed amendments to the Memorandum and Articles of Association do not contravene the applicable laws of the Cayman Islands. The Company has also confirmed that there is nothing unusual about the proposed amendments to the Memorandum and Articles of Association for a company listed on the Stock Exchange.

AGM

Set forth on pages 34 to 38 of this circular is a notice convening the AGM at which, among other things, resolutions will be proposed to approve the declaration of final dividend, the Share Issue Mandate, the Share Repurchase Mandate, the re-election of the retiring Directors, the re-appointment of auditors and the proposed amendments to the Memorandum and Articles of Association.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.prinxchengshan.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at 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 but in any event not less than 48 hours before the time appointed for the AGM (i.e. not later than 10:00 a.m. on Tuesday, June 14, 2022).

VOTING BY POLL

The forthcoming AGM will be held by voting of Shareholders taken by poll pursuant to Rule 13.39(4) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, June 13, 2022 to Thursday, June 16, 2022 (both days inclusive), during which period no transfer of shares will be effected. In order to determine the identity of members who are entitled to attend and vote at the AGM to be held on Thursday, June 16, 2022, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 10:00 a.m. on Friday, June 10, 2022.

LETTER FROM THE BOARD

Subject to the approval of shareholders at the AGM, the proposed final dividend will be payable to shareholders whose names appear on the register of members of the Company on Friday, June 24, 2022, being the record date for determination of entitlement to the final dividend. The register of members of the Company will be closed from Wednesday, June 22, 2022 to Friday, June 24, 2022 (both days inclusive), during which period no transfer of shares of the Company will be effected. In order to qualify for the proposed final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, June 21, 2022.

RECOMMENDATION

The Directors consider that (i) declaration of final dividend; (ii) the Share Issue Mandate; (iii) the Share Repurchase Mandate; (iv) the re-election of retiring Directors; (v) the re-appointment of the auditors; and (vi) the proposed amendments to the Memorandum and Articles of Association are in the best interests of the Company, the Group and the Shareholders as a whole, and would recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

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 Group. 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 aspects and not misleading or deceptive, and there are no other material matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board
Prinx Chengshan Holdings Limited
Che Hongzhi
Chairman

May 13, 2022

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information in relation to the Share Repurchase Mandate for your consideration.

1. LISTING RULES RELATING TO THE SHARE REPURCHASE MANDATE

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their securities subject to certain restrictions.

All proposed repurchases of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up. A maximum of 10% of the total number of issued Shares as at the date of passing the relevant resolution may be repurchased on the Stock Exchange.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were 636,440,000 Shares in issue. Subject to the passing of the resolution granting the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 63,644,000 Shares, representing 10% of the total number of issued Shares as at the Latest Practicable Date.

3. REASONS FOR REPURCHASES

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

4. FUNDING OF REPURCHASES

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

It is presently proposed that any repurchase of the Shares would be made out of profits of the Company or the proceeds of a fresh issue made for the repurchase or out of capital provided that on the day immediately following the date of repurchase the Company is able to pay its debts as they fall due in the ordinary course of business.

5. IMPACT OF REPURCHASES

On the basis of the financial position of the Company as at December 31, 2021 (being the date of its latest audited accounts), the Directors consider that there is no material adverse impact on the working capital or gearing position of the Company if the Share Repurchase Mandate is exercised in full during the proposed repurchase period. However, the Directors do not intend to exercise the Share 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.

6. GENERAL INFORMATION

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

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have any present intention to sell any Shares to the Company, or have undertaken not to do so, if the Share Repurchase Mandate is approved by the Shareholders.

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong, the Articles and the applicable laws of the Cayman Islands.

8. TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in

concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the public record, and to the best of the knowledge and belief of the Directors, Chengshan Group directly held 436,600,000 Shares and indirectly, through a wholly-owned subsidiary, held 5,259,500 Shares, representing a total of 69.43% of the total number of issued Shares. The Che Family and the Controlled Entities control an aggregate of 76.43% of the equity interest in Chengshan Group. On July 9, 2019, Mr. Che Baozhen was granted 580,000 options under the share option scheme adopted by the Company on July 5, 2019 (the “**Share Option Scheme**”). He is deemed to be the beneficial owner of 580,000 Shares (representing 0.09% of the total number of issued Shares). Accordingly, under the SFO, the Che Family and the Controlled Entities are deemed to be interested in 441,859,500 Shares, representing 69.43% of the total number of issued Shares, held by Chengshan Group and its subsidiary (assuming no Shares were granted and issued in accordance with the Share Option Scheme). In the event that the Directors exercise in full the power to buy back Shares in accordance with the Repurchase Mandate, the shareholding of Chengshan Group and its subsidiary would be increased to 77.14% of the total number of the issued Shares. Such increase would not give rise to an obligation on the part of the Che Family, the Controlled Entities and parties acting in concert (as defined in the Takeovers Code) with them to make a mandatory offer under Rule 26 of the Takeovers Code.

On the basis that the issued share capital of the Company remains the same, the Directors are not aware of any consequences which may arise under Rules 26 and 32 of the Takeovers Code. The Directors do not intend to exercise the Repurchase Mandate to an extent which would, in the circumstances, trigger any potential consequences under the Takeovers Code.

9. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares had been made by the Company during the six months prior to the Latest Practicable Date.

10. SHARE PRICES

The highest and lowest prices per Share at which Shares had been traded on the Stock Exchange since March 1, 2021 up to and including the Latest Practicable Date were as follows:

| | Highest | Lowest |
|---|----------------|---------------|
| | <i>HK\$</i> | <i>HK\$</i> |
| 2021 | | |
| March | 8.500 | 8.050 |
| April | 9.340 | 8.130 |
| May | 9.550 | 8.520 |
| June | 9.110 | 8.430 |
| July | 8.680 | 8.200 |
| August | 8.560 | 7.380 |
| September | 7.720 | 6.280 |
| October | 7.690 | 6.310 |
| November | 7.230 | 6.020 |
| December | 7.500 | 6.150 |
| 2022 | | |
| January | 7.450 | 6.490 |
| February | 7.880 | 6.420 |
| March | 7.690 | 6.690 |
| April | 7.970 | 6.550 |
| May (up to the Latest Practicable Date) | 7.640 | 7.220 |

Details of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

Mr. Che Hongzhi (“Mr. Che”) (車宏志先生), aged 65, was appointed as Director on May 22, 2015. He was redesignated as non-executive Director on March 5, 2018. He was also appointed as the chairman of the Board and the chairman of the Development Strategy and Risk Management Committee. He is the founder of the Group. Mr. Che is a director of all of the Company’s subsidiaries except Prinx Chengshan Europe GmbH, Qingdao Zhianda Investment Co., Ltd. and Prinx Chengshan Tire North America Inc.* (浦林成山輪胎北美公司). He is also the legal representative of two of the Company’s subsidiaries in the PRC. Mr. Che is responsible for providing professional opinion and strategic direction to the Group. Since December 2003, he has been the chairman and executive director of Chengshan Group. He has approximately 21 years of experience in tire production industry. Prior to establishing the Group, Mr. Che was the chairman of Shandong Chengshan Tires Company Limited from October 2000 to May 2010.

Mr. Che obtained a professional certificate in chemistry from Yantai Education College (煙台教育學院), in July 1987. He was awarded as a national model worker (全國勞動模範) by the State Council of the PRC in April 2005. He was further credited as an outstanding provincial party member (省優秀黨員) by Shandong Provincial Party Committee, the PRC in June 2016.

Mr. Che is the father of Mr. Che Baozhen, who is executive Director.

Save as disclosed above, Mr. Che does not have any other relationships with any other Directors, senior management or substantial or controlling shareholders of the Company nor did Mr. Che hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas during the last three years preceding the Latest Practicable Date.

Mr. Che is a member of the Che Family and is deemed to be interested in the 441,859,500 Shares held by Chengshan Group and its subsidiaries, representing approximately 69.43% of the total number of issued Shares.

Save as disclosed above, Mr. Che did not have any other interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Che entered into a service contract with the Company for a term of three years commencing on September 10, 2021 which may be terminated by either party giving to the other not less than one month’s written notice. Under the service contract, Mr. Che’s emoluments for 2021 included directors’ fees, salaries and other benefits of approximately RMB232,249, which

were determined with reference to his experience and qualification. Mr. Che is subject to retirement by rotation and re-election at least once every three years in accordance with the Articles, the Listing Rules and other applicable laws.

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

Mr. Wang Lei (“Mr. Wang”) (王雷先生), aged 43, has been appointed as Director since April 20, 2017. He was redesignated as non-executive Director on March 5, 2018. Mr. Wang has also been a director of Prinx Chengshan (Shandong) Tire Limited since April 20, 2017. On December 28, 2014, he joined the Group as a director of Prinx Chengshan (Shandong) Tire Limited until October 15, 2015. Mr. Wang is responsible for providing professional opinion and judgment to the Group. Prior to joining the Group, he was employed as vice section chief of the reception section of the general manager office by Shandong Chengshan Tires Company Limited (山東成山輪胎股份有限公司) in December 2001. In October 2007, he acted as the deputy head of general office of Chengshan Group; in December 2009, as the head of general office of Chengshan Group; and in March 2014, as the deputy general manager of administrative center in Chengshan Group. In February 2017, he was appointed as the general manager of the administrative centre of Chengshan Group. Mr. Wang was responsible for the administrative management of the company. Mr. Wang is an executive director of Chengshan Group.

Mr. Wang obtained an associate degree in financial accounting from Shandong TV University (山東廣播電視大學), Shandong, the PRC in July 1998. He further obtained an undergraduate degree in economic management from the CPC Shandong Provincial Committee Party School (山東省委黨校), Shandong, the PRC in December 2001. Mr. Wang was honoured as a 2012 new Long March Raiders of Weihai City (2012年度威海市新長征突擊手) by Weihai Communist Youth League in December 2013.

Save as disclosed above, Mr. Wang does not have any other relationships with any other Directors, senior management or substantial or controlling shareholders of the Company nor did Mr. Wang hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas during the last three years preceding the Latest Practicable Date.

Save as disclosed above, Mr. Wang did not have any other interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Wang entered into a service contract with the Company for a term of three years commencing on September 10, 2021 which may be terminated by either party giving to the other not less than one month's written notice. Under the service contract, Mr. Wang's emoluments for 2021 included directors' fees, salaries and other benefits of approximately RMB0. Mr. Wang is subject to retirement by rotation and re-election at least once every three years in accordance with the Articles, the Listing Rules and other applicable laws.

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

Mr. Choi Tze Kit Sammy ("Mr. Choi") (蔡子傑先生), aged 59, was appointed as an independent non-executive Director and the chairman of the Audit Committee and a member of the Nomination and Remuneration Committee with effect from September 10, 2018. Mr. Choi has about 36 years of experience in finance and auditing. Mr. Choi has been an independent non-executive director of Minshang Creative Technology Holdings Limited (formerly known as Food Wise Holdings Limited 膳源控股有限公司), the shares of which are listed on the Stock Exchange (Stock Code: 1632), since July 6, 2018. From October 2016 to August 2017, Mr. Choi was an independent non-executive director of Ernest Borel Holdings Limited, the shares of which are listed on the Stock Exchange (Stock Code: 1856). From January 2007 to November 2015, Mr. Choi was an independent non-executive director of Fufeng Group Limited, the shares of which are listed on the Stock Exchange (Stock Code: 546) and from February 2016 to February 2017, he was an independent non-executive director of PanAsialum Holdings Company Limited, the shares of which are listed on the Stock Exchange (Stock Code: 2078).

Mr. Choi graduated from Hong Kong Shue Yan College (currently known as Hong Kong Shue Yan University) in 1985. He is a fellow member of the Institute of Chartered Accountants in England and Wales (ICAEW), a fellow member of the Association of Chartered Certified Accountants, a fellow Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Taxation Institute of Hong Kong and a fellow member of the Hong Kong Institute of Directors.

Mr. Choi is now a committee member of Professional Conduct Committee, and a member of Investigation Panel of the Hong Kong Institute of Certified Public Accountants. He has also been a council member of Hong Kong Chiu Chow Merchants Mutual Assistance Society Limited since October 2013. He was a council member of the Society of Chinese Accountants and Auditors from 2010 to 2015. He has been elected as an honorary financial advisor of Hong Kong and Kowloon Rattan Ware Merchants Association (Wing Hing Tong) in 2018.

Save as disclosed above, Mr. Choi does not have any other relationships with any other Directors, senior management or substantial or controlling shareholders of the Company nor did Mr. Choi hold any directorship in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas during the last three years preceding the Latest Practicable Date.

Mr. Choi did not have any other interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Choi entered into a service contract with the Company for a term of one year commencing on September 10, 2021 which may be terminated by either party giving to the other not less than one month's written notice. Under the service contract, Mr. Choi's emoluments for 2021 included directors' fees, salaries and other benefits of approximately RMB186,440, which were determined with reference to his experience and qualification. Mr. Choi is subject to retirement by rotation and re-election at least once every three years in accordance with the Articles, the Listing Rules and other applicable laws.

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

* *For identification purpose only*

The following are the proposed amendments to the existing Memorandum and Articles of Association brought about by the adoption of the new Memorandum and Articles of Association.

Unless otherwise specified, clauses, paragraphs and article numbers referred to herein are clauses, paragraphs and article numbers of the existing Memorandum and Articles of Association.

Article no. Proposed amendments (showing changes to the existing Memorandum of Association)

Heading **THE ~~COMPANIES LAW~~ COMPANIES ACT (AS REVISED) EXEMPTED COMPANY LIMITED BY SHARES AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION OF ~~Prinx Chengshan (Cayman) Holding Limited~~ Prinx Chengshan Holdings Limited 浦林成山(開曼)控股有限公司 浦林成山控股有限公司**

(Company)

(adopted by a Special Resolution passed on ~~10 September 2018~~[•] and effective immediately upon the admission and listing of the Company's shares on the Main Board of the Stock Exchange of Hong Kong Limited)

- 1 The name of the Company is ~~Prinx Chengshan (Cayman) Holding Limited~~ Prinx Chengshan Holdings Limited 浦林成山控股有限公司 浦林成山(開曼)控股有限公司.
- 5 If the Company is registered as an exempted company as defined in the Cayman Islands ~~Companies Law~~ Companies Act, it shall have the power, subject to the provisions of the Cayman Islands ~~Companies Law~~ Companies Act and with the approval of a special resolution, to continue as a body incorporated under the laws of any jurisdiction outside of the Cayman Islands and to be de-registered in the Cayman Islands.

Article no. Proposed amendments
(showing changes to the existing Articles of Association)

Heading

~~THE COMPANIES LAW COMPANIES ACT~~
(AS REVISED) EXEMPTED COMPANY LIMITED BY SHARES AMENDED
AND RESTATED ARTICLES OF ASSOCIATION
OF
Prinx Chengshan (Cayman) Holding Limited Prinx Chengshan Holdings Limited
浦林成山(開曼)控股有限公司 浦林成山控股有限公司

(Company)

(adopted by a Special Resolution passed on ~~10 September 2018~~ and effective
~~immediately upon the admission and listing of the Company's shares on the Main~~
~~Board of the Stock Exchange of Hong Kong Limited [•])~~

1(a) Table "A" of the ~~Companies Law~~ Companies Act (as revised) shall not apply to the Company.

1(b) ~~Companies Law~~ Companies Act: means the ~~Company Law~~ Companies Act (as revised) of the Cayman Islands as amended from time to time and every other act, order regulation or other instrument having statutory effect (as amended from time to time) for the time being in force in the Cayman Islands applying to or affecting the Company, the Memorandum of Association and/or the Articles of Association;

Registered Office: means the registered office of the Company for the time being as required by the ~~Companies Law~~ Companies Act;

1(c)(iii) subject to the foregoing provisions of this Article, any words or expressions defined in the ~~Companies Law~~ Companies Act (except any statutory modification thereof not in force when these Articles become binding on the Company) shall bear the same meaning in these Articles, save that "company" shall where the context permits include any company incorporated in the Cayman Islands or elsewhere; and

- 5(a) If at any time the share capital of the Company is divided into different classes of Shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the Shares of that class) may, subject to the provisions of ~~Companies Law~~ Companies Act, be varied or abrogated either with the consent in writing ~~of the holders~~ of not less than $\frac{3}{4}$ ~~in nominal value~~ of the voting rights of the holders issued Shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of How rights of shares may be modified the Shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than ~~two~~ persons holding (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or representing by proxy holding one-third in nominal value of the issued Shares of that class, that the quorum for any meeting adjourned for want of quorum shall be two Shareholders present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy (whatever the number of Shares held by them), and for quorum purposes only, two persons appointed by the Clearing House as authorised representative or proxy and that any holder of Shares of the class present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy may demand a poll.
- 8 Any new Shares shall be issued upon such terms and conditions and with such rights, privileges or restrictions attached thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the ~~Companies Law~~ Companies Act and of these Articles, as the Board shall determine; and in particular such Shares may be issued with a preferential or qualified right to participate in Dividends and in the distribution of assets of the Company and with a special right or without any right of voting.
- 11(a) All unissued Shares and other securities of the Company shall be at the disposal of the Board and it may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms (subject to Article 9) as it in its absolute discretion thinks fit, but so that no Shares shall be issued at a discount. The Board shall, as regards any offer or allotment of Shares, comply with the provisions of the ~~Companies Law~~ Companies Act, if and so far as such provisions may be applicable thereto.

- 12(a) The Company may at any time pay commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any Shares, but so that the conditions and requirements of the ~~Companies Law~~ Companies Act shall be observed and complied with, and in each case the commission shall not exceed 10% of the price at which the Shares are issued.
- 12(b) If any Shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable within a period of one year, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and, subject to any conditions and restrictions mentioned in the ~~Companies Law~~ Companies Act, may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings, or the provisions of the plant.
- 13(d) sub-divide its Shares or any of them into Shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the ~~Companies Law~~ Companies Act, and so that the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-division, one or more of the Shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new Shares;

- 15(a) Subject to the ~~Companies Law~~ Companies Act, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of Shares, the Company shall have the power to purchase or otherwise acquire all or any of its own Shares (which expression as used in this Article includes redeemable Shares) provided that the manner and terms of purchase have first been authorised by an Ordinary Resolution of the Shareholders, and to purchase or otherwise acquire warrants and other securities for the subscription or purchase of its own Shares, and shares and warrants and other securities for the subscription or purchase of any shares in any company which is its Holding Company and may make payment therefor in any manner and terms authorised or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, an indemnity, the provision of security or otherwise howsoever, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any Shares or warrants or other securities in the Company or any company which is a Holding Company of the Company and should the Company purchase or otherwise acquire its own Shares or warrants or other securities neither the Company nor the Board shall be required to select the Shares or warrants or other securities to be purchased or otherwise acquired rateably or in any other manner and terms as between the holders of Shares or warrants or other securities of the same class or as between them and the holders of Shares or warrants or other securities of any other class or in accordance with the rights as to Dividends or capital conferred by any class of Shares provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with the relevant code, rules or regulations issued from time to time by the HK Stock Exchange and/or the Securities and Futures Commission of Hong Kong from time to time in force.
- 15(b) Subject to the provisions of the ~~Companies Law~~ Companies Act and the Memorandum of Association of the Company, and to any special rights conferred on the holders of any Shares or attaching to any class of Shares, Shares may be issued on the terms that they may, at the option of the Company or the holders thereof, be liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.
- 17(a) The Board shall cause to be kept the Register and there shall be entered therein the particulars required under the ~~Companies Law~~ Companies Act.
- 17(b) Subject to the provisions of the ~~Companies Law~~ Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a principal or branch register of Shareholders at such location as the Board thinks fit and, during the Relevant Period, the Company shall keep its principal or a branch register of Shareholders in Hong Kong.

- 18(a) Every person whose name is entered as a Shareholder in the Register shall be entitled to receive within the relevant time limit as prescribed in the ~~Companies Law~~ Companies Act or as the HK Stock Exchange may from time to time determine, whichever is shorter, after allotment or lodgement of a transfer (or within such other period as the conditions of issue shall provide or is required by the applicable rules of the stock exchange of the Relevant Territory) one certificate for all his Shares, or, if he shall so request, in a case where the allotment or transfer is of a number of Shares in excess of the number for the time being forming a stock exchange board lot for the purposes of the stock exchange of the Relevant Territory on which the Shares are listed upon payment of such sum (in the case of a transfer, not exceeding in the case of any share capital listed on a stock exchange in Hong Kong, HK\$2.50 or such other sum as may from time to time be allowed or not prohibited under the Listing Rules, and in the case of any other Shares, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant Register is situated, or otherwise such other sum as the Company may by Ordinary Resolution determine) for every certificate after the first as the Board may from time to time determine, such number of certificates for Shares in stock exchange board lots or whole multiples thereof as he shall request and one for the balance (if any) of the Shares in question, provided that in respect of a Share or Shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of the joint holders shall be sufficient delivery to all such holders.
- 39 Subject to the ~~Companies Law~~ Companies Act, all transfers of Shares shall be effected by transfer in writing in the usual or common form or in such other form as the Board may accept provided always that it shall be in such a form prescribed by the HK Stock Exchange and may be under hand only or, if the transferor or transferee is a Clearing House (or its nominee(s)), under hand or by machine imprinted signature or by such other means of execution as the Board may approve from time to time.
- 41(c) Notwithstanding anything contained in these Articles, the Company shall as soon as practicable and on a regular basis record in the principal Register all removals of Shares effected on any branch Register and shall at all times maintain the principal Register and all branch Registers in all respects in accordance with the ~~Companies Law~~ Companies Act.

- 62 ~~At all times during the Relevant Period~~ Other than the year of the Company's adoption of these Articles, in each financial year during the Relevant Period the Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; ~~and not more than 15 Months (or such longer period as may be authorised by the HK Stock Exchange) shall elapse between the date of one annual general meeting of the Company and that of the next.~~ The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint, subject to the requirement that each annual general meeting must be held within 6 months after the end of each financial year. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.
- 64 The Board may, whenever it thinks fit, convene an extraordinary general meeting. ~~Extraordinary general meetings shall also be convened on the requisition of~~ One or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings, on a one vote per share basis in the share capital of the Company are able to convene an extraordinary general meeting and add resolutions to a meeting agenda in a general meeting. Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.
- 68 For all purposes the quorum for a general meeting shall be two Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and entitled to vote, or for quorum purposes only, two persons appointed by the Clearing House as authorised representative or proxy. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting.

- 72(b) any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights, on a one vote per Share basis, of all the Shareholders having the right to vote at the meeting; or
- 79A Shareholders have the right to: (a) speak at general meetings of the Company; and (b) vote at a general meeting except where a Shareholder is required by the Listing Rules to abstain from voting to approve the matter under consideration. An example of such a circumstance is where a Shareholder has a material interest in the transaction or arrangement being voted upon.
- 79B Where the Company has knowledge that any Shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.
- 96 The number of Directors shall not be less than two (2). The Company shall keep at its Registered Office a register of its directors and officers in accordance with ~~Companies Law~~ Companies Act.
- 104(b) Except as would, if the Company were a company incorporated in Hong Kong, be permitted by the Companies Ordinance as in force at the date of adoption of these Articles, and except as permitted under the ~~Companies Law~~ Companies Act, the Company shall not directly or indirectly:
- (i) make a loan to a Director or a director of any Holding Company of the Company or any of their respective Close Associates;
 - (ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any Holding Company of the Company or any of their respective Close Associates; or
 - (iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

- 112 The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first annual general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the ~~next following first~~ annual general meeting of the Company after his appointment and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.
- 114 The ~~Company~~ Shareholders may by Ordinary Resolution remove any Director (including a managing director or other executive director) before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may by Ordinary Resolution elect another person in his stead. Any Director so appointed shall be subject to retirement by rotation pursuant to Article 108.
- 116 The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular but subject to the provisions of the ~~Companies Law~~ Companies Act, by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 119 The Directors shall cause a proper register to be kept, in accordance with the provisions of the ~~Companies Law~~ Companies Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with such provisions of the ~~Companies Law~~ Companies Act with regard to the registration of mortgages and charges as may be specified or required.

- 127 The business of the Company shall be managed by the Board who, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the ~~Companies Law~~ Companies Act expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the ~~Companies Law~~ Companies Act and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- 144 The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may, without prejudice to his right under any contract with the Company, be removed by the Board. Anything by the ~~Companies Law~~ Companies Act or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically on behalf of the Board.
- 145 The Secretary shall attend all meetings of the Shareholders and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the ~~Companies Law~~ Companies Act and these Articles, together with such other duties as may from time to time be prescribed by the Board.
- 146 A provision of the ~~Companies Law~~ Companies Act or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the Secretary.
- 147(a) Subject to the ~~Companies Law~~ Companies Act, the Company shall have one or more Seals as the Board may determine, and may have a Seal for use outside the Cayman Islands. The Board shall provide for the safe custody of each Seal, and no Seal shall be used without the authority of the Board or a committee authorised by the Board in that behalf.

- 153(a) The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any sum standing to the credit of any of the Company's reserve accounts which are available for distribution (including its share premium account and capital redemption reserve fund, subject to the ~~Companies Law~~ Companies Act) and to appropriate such sums to the holders of Shares on the Register at the close of business on the date of the relevant resolution (or such other date as may be specified therein or determined as provided therein) in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of Dividend and to apply such sum on their behalf in paying up in full unissued Shares for allotment and distribution credited as fully paid-up to and amongst them in the proportion aforesaid.
- 153(b) Subject to the ~~Companies Law~~ Companies Act, whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and attend to all allotments and issues of fully paid Shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Article, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may disregard fractional entitlements or round the same up or down and may determine that cash payments shall be made to any Shareholders in lieu of fractional entitlements or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties or that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the Shareholders concerned, and no Shareholders who are affected thereby shall be deemed to be, and they shall be deemed not to be, a separate class of Shareholders by reason only of the exercise of this power. The Board may authorise any person to enter on behalf of all Shareholders interested in a capitalisation issue any agreement with the Company or other(s) providing for such capitalisation and matters in connection therewith and any agreement made under such authority shall be effective and binding upon all concerned. Without limiting the generality of the foregoing, any such agreement may provide for the acceptance by such persons of the Shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.
- 154 Subject to the ~~Companies Law~~ Companies Act and these Articles, the Company in general meeting may declare Dividends in any currency but no Dividends shall exceed the amount recommended by the Board.
- 156(a) No Dividend shall be declared or paid or shall be made otherwise than in accordance with the ~~Companies Law~~ Companies Act.

- 156(b) Subject to the provisions of the ~~Companies Law~~ Companies Act but without prejudice to paragraph (a) of this Article, where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Board in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company, and be available for Dividend accordingly. Subject as aforesaid, if any Shares or securities are purchased cum Dividend or interest, such Dividend or interest may at the discretion of the Board be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof or to apply the same towards reduction of or writing down the book cost of the asset, business or property acquired.
- 171 The Board shall make or cause to be made such annual or other returns or filings as may be required to be made in accordance with the ~~Companies Law~~ Companies Act.
- 172 The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place; and of the assets and liabilities of the Company and of all other matters required by the ~~Companies Law~~ Companies Act necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions. The financial year of the Company shall end on 31 December of each year or such other date as the Directors may determine.
- 174 No Shareholder (not being a Director) or other person shall have any right of inspecting any account or book or document of the Company except as conferred by the ~~Companies Law~~ Companies Act or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.

- 176(a) The Company shall at each annual general meeting appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. ~~The remuneration of the Auditors shall be fixed by or on the authority of the Company in the annual general meeting except that in any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.~~ The appointment, removal and remuneration of the Auditors must be approved by a majority of the Company's Shareholders in the annual general meeting or by other body that is independent of the Board except that in any particular year the Company in general meeting (or such body independent of the Board as aforementioned) may delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.
- 180 (a) Except where otherwise expressly stated, any notice or document to be given to or by any person pursuant to these Articles shall be in writing or, to the extent permitted by the Companies Law Act and the Listing Rules from time to time and subject to this Article, contained in an electronic communication. A notice calling a meeting of the Board need not be in writing.

(b) Except where otherwise expressly stated, any notice or document to be given to or by any person pursuant to these Articles (including any corporate communications within the meaning ascribed thereto under the Listing Rules) may be served on or delivered to any Shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such Shareholder at his registered address as appearing in the register or by leaving it at that address addressed to the Shareholder or by any other means authorised in writing by the Shareholder concerned or (other than share certificate) by publishing it by way of advertisement in the Newspapers. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Companies ~~Law~~Act and the Listing Rules, a notice or document may be served or delivered by the Company to any Shareholder by electronic means to such address as may from time to time be authorised by the Shareholder concerned or by publishing it on a website and notifying the Shareholder concerned that it has been so published.

188 Subject to the ~~Companies Law~~Companies Act, a resolution that the Company be wound up by the Court or be wound up voluntarily shall be passed by way of a Special Resolution at any time and from time to time.

190 If the Company shall be wound up (in whatever manner) the liquidator may, with the sanction of a Special Resolution and any other sanction required by the ~~Companies Law~~Companies Act, divide among the Shareholders in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders and the Shareholders within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any Shares or other assets upon which there is a liability.

195 The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the ~~Companies Law~~Companies Act:

196 The following provisions shall have effect at any time and from time to time provided that they are not prohibited by or inconsistent with the ~~Companies Law~~Companies Act:



Prinx Chengshan Holdings Limited

浦林成山控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1809)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Prinx Chengshan Holdings Limited (the “Company”) will be held at the meeting room A202 of Prinx Chengshan (Shandong) Tire Company Limited, No.98, Nanshan North Road, Rongcheng City, Shandong Province, the PRC, on Thursday, June 16, 2022 at 10:00 a.m. for the following purposes:

AS ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “**Director(s)**”) and the independent auditors (the “**Auditors**”) for the year ended December 31, 2021.
2. To approve and declare a final dividend of HK\$0.2 per ordinary share in the issued share capital of the Company for the year ended December 31, 2021 payable to the shareholders whose names appear on the register of members of the Company as at the close of business on June 24, 2022.
3. To consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. Che Hongzhi as a non-executive Director.
 - (b) to re-elect Mr. Wang Lei as a non-executive Director.
 - (c) to re-elect Mr. Choi Tze Kit Sammy as an independent non-executive Director.
4. To authorise the board of Directors of the Company (the “**Board**”) to determine the Directors’ remuneration.
5. To re-appoint PricewaterhouseCoopers as the Auditors and to authorise the Board to fix their remuneration.

6. “THAT:

- (i) subject to paragraph (iii) of this resolution, and pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) on all the powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and the same is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) 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;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (i) of this resolution, otherwise than by way of (a) a Rights Issue (as hereinafter defined); or (b) the exercise of or the grant of any option under any share option scheme of the Company or similar arrangement for the time being adopted for the issue or grant to officers and/or employees of the Company and/or any of its subsidiaries of shares or options to subscribe for or rights to acquire shares of the Company; or (c) any scrip dividend or similar arrangement providing for the allotment 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, shall not exceed 20% of the total number of issued Shares of the Company in issue as at the date of passing of this resolution and the said approval be limited accordingly; and
- (iv) for the purpose of this resolution:
 - (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

(iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.

(b) “**Rights Issue**” means an offer of shares in the share capital of the Company or an offer or issue of warrants or options or similar instruments to subscribe for shares in the share capital of the Company open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares in the Company (subject to such exclusions 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”

7. “**THAT:**

(i) subject to paragraph (ii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the share capital of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

(ii) the aggregate nominal amount of issued shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

(iii) for the purpose of this Resolution:

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

(a) the conclusion of the next annual general meeting of the Company;

- (b) 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 laws to be held; and
 - (c) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.”
8. Upon resolutions No. 6 and No. 7 above being passed, the general mandate granted to the Directors to allot, issue or otherwise deal with additional shares pursuant to resolution No. 6 be and is hereby extended by the addition thereto the total number of shares of the Company repurchased by the Company under the authority granted pursuant to resolution No. 7.

AS A SPECIAL RESOLUTION

And to consider and, if thought fit, approve the following resolution as a special resolution, with or without amendment:

9. **“THAT:**

the adoption of an amended and restated Memorandum and Articles of Association of the Company (the **“New Memorandum and Articles of Association”**, a copy of which has been produced to the AGM marked **“A”** and initiated by the chairman of the AGM for the purpose of identification) in substitution for and to the exclusion of the existing Memorandum and Articles of Association of the Company with immediate effect after the close of the AGM be and is hereby approved and that any one of the Directors or joint company secretaries of the Company be and are hereby authorised to do all things necessary to implement the adoption of the New Memorandum and Articles of Association of the Company.”

By Order of the Board
Prinx Chengshan Holdings Limited
Che Hongzhi
Chairman

Shandong, China, May 13, 2022

Notes:

- (1) All resolution (except for procedural and administrative matters) at the AGM will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (2) Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the AGM. A proxy need not be a shareholder of the Company. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
- (3) In order to be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be lodged by post or by hand at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 48 hours before the time appointed for the AGM (i.e. not later than 10:00 a.m. on Tuesday, June 14, 2022) or any adjournment thereof.
- (4) Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the AGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (5) The register of members of the Company will be closed from Monday, June 13, 2022 to Thursday, June 16, 2022 (both days inclusive), during which period no transfer of shares will be effected. In order to determine the identity of members who are entitled to attend and vote at the AGM to be held on Thursday, June 16, 2022, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 10:00 a.m. on Friday, June 10, 2022.
- (6) Subject to the approval of shareholders at the AGM, the proposed final dividend will be payable to shareholders whose names appear on the register of members of the Company on Friday, June 24, 2022, being the record date for determination of entitlement to the final dividend. The register of members of the Company will be closed from Wednesday, June 22, 2022 to Friday, June 24, 2022, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify for the proposed final dividend, all share transfer documents 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, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, June 21, 2022.

As at the date of this notice, the executive Directors are Mr. Che Baozhen, Mr. Shi Futao, and Ms. Cao Xueyu, the non-executive Directors are Mr. Che Hongzhi, Mr. Wang Lei and Mr. Shao Quanfeng and the independent non-executive Directors are Mr. Zhang Xuehuo, Mr. Choi Tze Kit Sammy and Mr. Wang Chuansheng.