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

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your 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 Shanghai Jin Jiang Capital Company Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**Shanghai Jin Jiang Capital Company Limited\***  
**上海錦江資本股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 02006)**

**(1) MAJOR TRANSACTION  
DEEMED DISPOSAL OF MAXIMUM 6.82%  
EQUITY INTEREST IN JIN JIANG HOTELS  
AND  
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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A notice convening the extraordinary general meeting of the Company for the year 2020 (the "EGM") to be held at 2:00 p.m. on Friday, 13 November 2020 at Jin Jiang Grand Hall, 59 South Maoming Road, Huangpu District, Shanghai, the PRC is set out on pages 23 to 25 of this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited, in any event served in hand or by post not less than 24 hours before the time stipulated for convening the EGM or any adjourned meeting thereof (i.e. no later than 2:00 p.m. on Thursday, 12 November 2020). Completion and return of the proxy form will not preclude you from attending and voting at the EGM or at any adjourned meeting thereof in person if you so wish.

\* *The Company is registered as a non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) under its Chinese name and the English name "Shanghai Jin Jiang Capital Company Limited".*

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## DEFINITIONS

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

“Board”	the board of Directors of the Company
“Board of Jin Jiang Hotels”	the board of directors of Jin Jiang Hotels
“Company”	Shanghai Jin Jiang Capital Company Limited* (上海錦江資本股份有限公司), a joint stock limited company established in the PRC, the H Shares of which are listed on the Stock Exchange
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“CSRC”	China Securities Regulatory Commission
“Deemed Disposal”	the reduction of the Company’s shareholding in Jin Jiang Hotels from 50.32% to 43.50% at most due to the fact the Company will not participate in the subscription for the new A shares under the Jin Jiang Hotels Issuance, which constitutes a deemed disposal of the Company’s equity interest in Jin Jiang Hotels under Rule 14.29 of the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Shares”	domestic invested Shares in the share capital of the Company with a par value of RMB1.00 each, which are subscribed for in RMB by PRC investors
“EGM”	the extraordinary general meeting of the Company for the year 2020 to be held at 2:00 p.m. on Friday, 13 November 2020 at Jin Jiang Grand Hall, 59 South Maoming Road, Huangpu District, Shanghai, the PRC
“Full Service Hotel(s)”	hotel(s) which are based on comprehensive hotel functions and facilities, and provide all-rounded quality services for guests
“Group”	the Company and its subsidiaries
“GDL”	Groupe du Louvre, a société par actions simplifiée incorporated under the laws of France
“H Shares”	overseas-listed foreign invested Shares in the share capital of the Company with a par value of RMB1.00 each, which are subscribed for and traded in HK\$
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

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## DEFINITIONS

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“Jin Jiang Hotels”	Shanghai Jin Jiang International Hotels Company Limited (上海錦江國際酒店股份有限公司), a joint stock company listed on the Shanghai Stock Exchange (stock code: A share: 600754; B share: 900934), and a subsidiary of the Company in which the Company holds a 50.32% interest as at the Latest Practicable Date
“Jin Jiang Hotels Issuance”, “Issuance”, “Non-public Issuance” or “Jin Jiang Hotels Non-public Issuance”	non-public issuance of A shares by Jin Jiang Hotels
“Jin Jiang International”	Jin Jiang International Holdings Company Limited (錦江國際(集團)有限公司), the controlling shareholder of the Company owning 75% of equity interests in the Company
“Latest Practicable Date”	27 October 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and modified from time to time
“Model Code”	The Model Code for Securities Transactions by Directors of Listed Issuers under the Listing Rules
“percentage ratios”	has the meaning ascribed to such term under the Listing Rules
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Select Service Hotel(s)”	hotel(s) providing guests with basic professional services which are suitable for mass consumption with emphasis on the core function of accommodation
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and modified from time to time
“Shareholder(s)”	the shareholder(s) of the Company
“Share(s)”	ordinary share(s) of RMB1.00 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited



**Shanghai Jin Jiang Capital Company Limited\***  
**上海錦江資本股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 02006)**

*Executive Directors:*

Mr. Yu Minliang (*Chairman*)  
Ms. Guo Lijuan (*Vice Chairman*)  
Mr. Chen Liming (*Vice Chairman*)  
Mr. Ma Mingju  
Ms. Zhou Wei  
Mr. Sun Yu

*Independent non-executive Directors:*

Mr. Ji Gang  
Dr. Rui Mingjie  
Mr. Shen Liqiang

*Legal address of the Company:*

Room 316-318  
No. 24 Yang Xin Dong Road  
Shanghai, the PRC

*Principal place of business in the PRC:*

26/F., Union Building  
No. 100 Yan'an East Road  
Shanghai, the PRC

*Principal place of business in Hong Kong:*

Room 3203, 32nd Floor  
Shun Tak Centre, West Tower  
200 Connaught Road Central  
Hong Kong

29 October 2020

*To the Shareholders*

Dear Sir or Madam,

**(1) MAJOR TRANSACTION  
DEEMED DISPOSAL OF MAXIMUM 6.82%  
EQUITY INTEREST IN JIN JIANG HOTELS  
AND**

**(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**I. INTRODUCTION**

Reference is made to the inside information announcement published by the Company on 2 September 2020 in relation to the proposed non-public issuance of A shares by Jin Jiang Hotels, a subsidiary of the Company; the inside information announcement published by the Company on 10 September 2020 in relation to the state-funded enterprise's approval of the plan of the Jin Jiang Hotels Issuance; the inside information announcement published

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## LETTER FROM THE BOARD

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by the Company on 22 September 2020 in relation to the approval of the plan of the Jin Jiang Hotels Issuance by the general meeting of Jin Jiang Hotels; and the major transaction announcement of the Company dated 8 October 2020 in relation to the deemed disposal of maximum 6.82% equity interest in Jin Jiang Hotels by the Company.

As considered and approved by the Board, on 8 October 2020, the Company announced that it would not participate in the subscription for new A shares under the Jin Jiang Hotels Issuance. According to the plan of the Jin Jiang Hotels Issuance, Jin Jiang Hotels plans to issue not more than 150,000,000 A shares to raise proceeds of not more than RMB5 billion. Based on the maximum amount of 150,000,000 A shares to be issued under the Issuance, following the completion of the Issuance, the percentage of the Company's shareholdings in Jin Jiang Hotels will reduce from 50.32% to 43.50% at most. However, the Issuance will not result in any change of control of Jin Jiang Hotels. Jin Jiang Hotels will remain a subsidiary of the Company following the completion of the Issuance.

As at the Latest Practicable Date, the exact subscribers for the Jin Jiang Hotels Issuance are yet to be confirmed, and disclosure will be made in the issuance report to be published following the completion of the Jin Jiang Hotels Issuance, as to whether related party transactions have been constituted as a result of related parties subscribing for shares under the Jin Jiang Hotels Issuance. The Company will also comply with all provisions applicable to connected transactions under Chapter 14A of the Listing Rules in a timely manner based on the conditions of the subscribers, if necessary.

The main purpose of this circular is to provide you with, among other things:

- (a) details of the Jin Jiang Hotels Issuance and Deemed Disposal;
- (b) other information as required under the Listing Rules; and
- (c) the notice of the EGM.

## II. PLAN FOR THE JIN JIANG HOTELS NON-PUBLIC ISSUANCE

### (I) Class and nominal value of shares to be issued

Shares to be issued under the Jin Jiang Hotels Issuance are domestic-listed RMB ordinary shares (A shares) with a nominal value of RMB1.00 per share.

### (II) Method and timing of issuance

The Jin Jiang Hotels Non-public Issuance will be conducted entirely by way of non-public issuance to specific subscribers. Jin Jiang Hotels will conduct the issuance at an opportune timing during the validity period approved by CSRC.

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## LETTER FROM THE BOARD

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### **(III) Subscribers**

The Jin Jiang Hotels Issuance will be a non-public issuance targeted at specific subscribers. The subscribers will not exceed 35 specific investors, which will include securities investment and fund management companies, securities companies, trust investment companies, finance companies, insurance institutional investors, qualified foreign institutional investors and other qualified investors and natural persons that meet specific requirements. A securities investment and fund management company, securities company, qualified foreign institutional investor or RMB qualified foreign institutional investor subscribing through two or more funds under its management shall be deemed as one single subscriber. A trust investment company, as a subscriber, can only subscribe with its self-owned funds.

The final list of subscribers shall be determined by the Board of Jin Jiang Hotels under the mandate granted by the general meeting of Jin Jiang Hotels in consultation with the sponsor (lead underwriter) of the Issuance based on the outcome of price bidding in accordance with pertinent provisions of CSRC and conditions prescribed in the issuance plan within 12 months after receiving approval documents from CSRC. As at the Latest Practicable Date, as Jin Jiang Hotels has not received the approval documents from CSRC, the Company expects that the Issuance and the finalization of list of subscribers will be conducted after the EGM. Jin Jiang Hotels will publish announcements on receipt of CSRC's approval and the results of the Issuance (which will include information on final subscribers, issue price and issuance volume) on Shanghai Stock Exchange. The Company will publish such information through inside information announcements in Hong Kong as well.

In the event of any new provisions in respect of the subscribers for the non-public issuance of shares under national laws and regulations, Jin Jiang Hotels will make adjustments in accordance with the new provisions.

All subscribers shall subscribe for shares under the Jin Jiang Hotels Non-public Issuance at the same price in cash.

### **(IV) Issue price and pricing method**

The pricing benchmark date of the Jin Jiang Hotels Non-public Issuance is the first day on which the period of issuance of shares under the Non-public Issuance commences. The Board of Jin Jiang Hotels will determine the timing of the Non-public Issuance in consultation with the sponsor (lead underwriter) within 12 months after receiving approval documents from CSRC. As at the Latest Practicable Date, as Jin Jiang Hotels has not received the approval documents from CSRC, the Company expects that the period of issuance will commence after the EGM.

Pricing principle: the issue price shall be not lower than 80% of the average trading price of the A shares of Jin Jiang Hotels for the 20 trading days immediately before the pricing benchmark date.

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## LETTER FROM THE BOARD

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Average trading price of shares for the 20 trading days immediately before the pricing benchmark date = total amount of shares traded for the 20 trading days immediately before the pricing benchmark date/total volume of shares traded for the 20 trading days immediately before the pricing benchmark date.

In the event of any ex-rights or ex-dividend actions for shares of Jin Jiang Hotels during the period from the pricing benchmark date to the issuance date such as dividend distribution, bonus share issue, share capital conversion, issuance of new shares or share placing, the bottom issue price shall be adjusted accordingly.

The formula for adjustment is as follows:

Payment of cash dividend:  $P1 = P0 - D$

Bonus share issue or share capital conversion:  $P1 = P0 / (1 + N)$

Cash dividend together with bonus share issue or share capital conversion:  $P1 = (P0 - D) / (1 + N)$

Of which: P0 stands for the bottom issue price prior to the adjustment, D stands for cash dividend per share, N stands for the number of bonus shares issued for each share or the number of shares increased under the share capital conversion for each share, and P1 stands for the adjusted bottom issue price.

The exact issue price shall be determined by the Board of Jin Jiang Hotels under the mandate granted by the general meeting of Jin Jiang Hotels in consultation with the sponsor (lead underwriter) based on the outcome of price bidding after the Issuance has been approved by CSRC.

In the event of any new provisions in respect of the pricing benchmark date and the issue price of non-public issuance of shares under pertinent laws or regulations and regulatory documents, the Board of Jin Jiang Hotels will make adjustments in accordance with the new provisions under the mandate granted by the general meeting of Jin Jiang Hotels.

### **(V) Issuance volume**

The number of shares to be issued under the Non-public Issuance will be determined by dividing the total amount of gross proceeds by the issue price, subject to a maximum of 150,000,000 shares (namely, not more than 30% of the total share capital of Jin Jiang Hotels prior to the Non-public Issuance) to be issued under the Non-public Issuance and to the approval documents issued by CSRC in relation to the Issuance. Subject to the aforesaid range, the final issuance volume shall be determined by the Board of Jin Jiang Hotels under the mandate granted by the general meeting of Jin Jiang Hotels in consultation with the sponsor (lead underwriter) in accordance with pertinent provisions of CSRC and based on the actual subscription condition within 12 months after receiving approval documents from CSRC. Since Jin Jiang Hotels has not received the approval documents from CSRC as at the Latest Practicable Date and



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## LETTER FROM THE BOARD

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taking into account the fact that the issuance volume will be determined with reference to the issue price, the Company expects that the issuance volume will be determined after the EGM.

In the event of any ex-rights or ex-dividend actions for shares of Jin Jiang Hotels during the period from the date of announcement of the resolution by the Board of Jin Jiang Hotels on the Issuance to the issuance date, the volume of shares under the Non-public Issuance shall be adjusted accordingly.

In the event that the total number of shares under the Non-public Issuance is to be adjusted in accordance with changes in regulatory policies or requirements of the approval documents for the issuance, the number of shares under the Non-public Issuance will be adjusted accordingly.

### **(VI) Arrangements for lock-up periods**

Shares subscribed by the subscribers under the Non-public Issuance shall not be listed for trading within six months from the date of completion of the issuance. If there are other provisions under laws and regulations on lock-up periods, such provisions shall prevail. If shares acquired by the subscribers of the Jin Jiang Hotels Issuance derive extra shares due to distribution of shares or dividends or capitalization of capital reserve by Jin Jiang Hotels, such extra shares shall also be subject to the aforesaid lock-up arrangement. Upon conclusion of the lock-up period, trading in such shares shall be conducted in accordance with the applicable provisions of CSRC and Shanghai Stock Exchange.

### **(VII) Amount and use of proceeds**

The total amount of proceeds from the Jin Jiang Hotels Issuance will not exceed RMB5 billion. Net proceeds after the deduction of issue expenses shall be applied in full in the following items:

*Unit: RMB0'000*

No.	Project	Investment amount	Proposed use of proceeds
1	Hotel refurbishment and upgrade projects	373,458.20	350,000.00
2	Repayment of loans from financial institutions	<u>150,000.00</u>	<u>150,000.00</u>
	Total	<u>523,458.20</u>	<u>500,000.00</u>

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## LETTER FROM THE BOARD

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With respect to the hotel refurbishment and upgrade projects, Jin Jiang Hotels plans to upgrade certain hotels across the PRC to middle-end hotels, such as Golden Tulip (鬱錦香), Campanile (康鉞), Jin Jiang Metropolo (錦江都城) and Vienna series (維也納系列), and others to budget hotels such as Magnotel (白玉蘭) through refurbishment. Jin Jiang Hotels plans to complete the hotel refurbishment and upgrade projects in three years. Detailed implementation of such projects will depend on the actual operation situation of Jin Jiang Hotels and will be conducted by batches. The investment amount of such project covers the expenses for equipment and installation, decoration and construction works and other relevant costs.

To ensure the smooth implementation of projects to be funded by the proceeds and to safeguard the interests of all shareholders of Jin Jiang Hotels, prior to the receipt of the proceeds from the Non-public Issuance, Jin Jiang Hotels may utilise its self-raised funds to advance investments in the projects to be funded by proceeds based on the implementation progress of such projects, and replace such funds in accordance with the provisions of relevant regulations after receipt of the proceeds. If the actual amount of proceeds from the Non-public Issuance net of issue expenses falls short of the total amount of proceeds proposed to be invested in the aforesaid projects, the shortfall will be met by the self-raised funds of Jin Jiang Hotels.

### **(VIII) Place of listing**

The shares under the Jin Jiang Hotels Non-public Issuance will be listed and traded on the Shanghai Stock Exchange.

### **(IX) Arrangements for retained undistributed profit**

The retained undistributed profit of Jin Jiang Hotels prior to the Issuance shall be shared among its existing and new shareholders in proportion to their shareholding percentages upon completion of the Non-public Issuance.

### **(X) Validity period of the resolution**

The resolution on the Jin Jiang Hotels Non-public Issuance shall remain valid for a period of 12 months from the date on which the resolution is considered and approved at the general meeting of Jin Jiang Hotels.

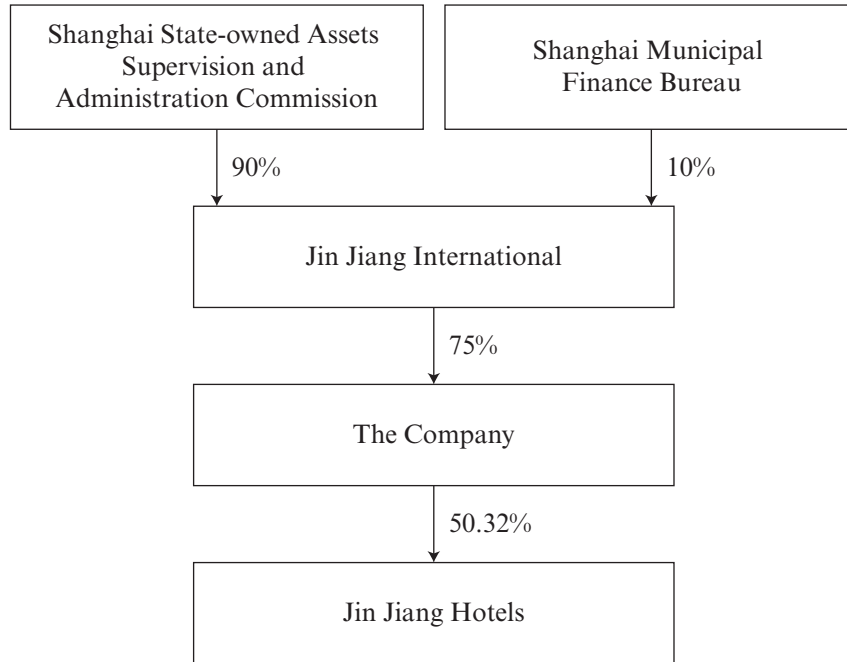
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## LETTER FROM THE BOARD

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### III. EFFECT OF THE JIN JIANG HOTELS ISSUANCE ON ITS SHAREHOLDING STRUCTURE

As at the Latest Practicable Date, the total number of shares of Jin Jiang Hotels in issue amounts to 957,936,440 shares. The Company is the controlling shareholder of Jin Jiang Hotels with a shareholding of 482,007,225 shares, accounting for 50.32% of its total share capital. A diagram illustrating the shareholding relationship between Jin Jiang Hotels, its controlling shareholder and its ultimate controller as at the Latest Practicable Date is set out as follows:



Based on the maximum amount of 150,000,000 shares to be issued under the Issuance, upon the completion of the Issuance, the total share capital of Jin Jiang Hotels will amount to 1,107,936,440 shares and the Company will remain the controlling shareholder of Jin Jiang Hotels with a shareholding of 43.50% and 482,007,225 shares, while the remaining shareholdings of Jin Jiang Hotels are widely dispersed. The Issuance will not result in any change of control of Jin Jiang Hotels. Jin Jiang Hotels will remain a subsidiary of the Company following the completion of the Issuance.

### IV. INFORMATION OF THE COMPANY AND JIN JIANG HOTELS

#### Information of the Company

The Company is principally engaged in Full Service Hotel operation and management, Select Service Hotel operation and franchising, restaurant operation, passenger transport logistics, travel agency and other related businesses.

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## LETTER FROM THE BOARD

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### Information of Jin Jiang Hotels

#### *General Information of Jin Jiang Hotels*

As at the Latest Practicable Date, Jin Jiang Hotels is a subsidiary of the Company in which the Company holds a 50.32% interest and a joint stock company listed on the Shanghai Stock Exchange (stock code: A share: 600754; B share: 900934). It is principally engaged in Select Service Hotel operation and management as well as food and restaurant business.

#### *Financial Information of Jin Jiang Hotels*

The following table sets out the audited financial information of Jin Jiang Hotels prepared in accordance with the PRC Accounting Standards for Business Enterprises:

	For the year ended 31 December	
	2018	2019
	(RMB)	(RMB)
Revenue	14,697,420,033.67	15,099,024,459.57
Profit before taxation	1,564,004,317.93	1,759,088,128.14
Profit after taxation	1,227,680,473.02	1,279,119,464.34

According to the audited financial statements of Jin Jiang Hotels prepared in accordance with the PRC Accounting Standards for Business Enterprises, the audited book value of net assets of Jin Jiang Hotels amounted to RMB14,356,054,527.89 as at 31 December 2019.

### V. REASONS FOR AND BENEFIT OF THE JIN JIANG HOTELS ISSUANCE AND THE DEEMED DISPOSAL

The Board is of the opinion that the Jin Jiang Hotels Issuance is conducive to:

1. the further enhancement in the capital strength of Jin Jiang Hotels, optimisation of its layout in budget hotels and middle-end hotels, improvement in its core competitiveness and realisation of its strategic goals; and
2. effectively improving the gearing ratio of Jin Jiang Hotels, optimising its capital structure, increasing its solvency and lowering its financial risks, enhancing its financing capability in future and providing strong working capital support for its operations and development to meet the requirements of rapid business growth. Meanwhile, the core competitiveness of Jin Jiang Hotels and its ability to withstand the risks of macro-economic volatility will also be enhanced, which will facilitate its healthy and sustainable development.

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## LETTER FROM THE BOARD

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As an important subsidiary of the Company, the enhanced capital strengths, an optimised gearing ratio and sustainable business development of Jin Jiang Hotels is also conducive to the long-term development of the Group as a whole. The Board is further of the view that the Deemed Disposal is conducive to the introduction of external investors by Jin Jiang Hotels to further optimise its shareholding structure. The decision that the Company will not participate in the subscription for new A shares under the Jin Jiang Hotels Issuance will not affect the Company's existing interest in its shareholding in Jin Jiang Hotels. In addition, the Company, as the controlling shareholder of Jin Jiang Hotels, can enjoy the benefits of the appreciation in its equity interests in Jin Jiang Hotels following the completion of the Issuance.

The Board (including independent non-executive Directors) is of the view that the issue price of the Jin Jiang Hotels Issuance will be determined based on the trading price of the A shares of Jin Jiang Hotels and through price bidding and is fair and reasonable and on normal commercial terms. The Deemed Disposal is also in the interest of the Company and its Shareholders as a whole but the transaction is not conducted in the Group's ordinary and usual course of business due to its nature. No Directors have material interest in the relevant transaction or are required to abstain from voting on the relevant resolution of the Board.

### **VI. FINANCIAL EFFECTS TO THE GROUP ARISING FROM THE DEEMED DISPOSAL**

As the Deemed Disposal will not result in the Company's loss of control over Jin Jiang Hotels, the Deemed Disposal will not result in the recognition of any gain or loss in the Company's consolidated income statement. The proceeds from the Issuance will be accounted for an increase in non-controlling interests of the Group and an increase in reserves attributable to shareholders of the Company.

Please refer to the section headed "II. Plan for the Jin Jiang Hotels Non-Public Issuance" for the details of use of proceeds from the Jin Jiang Hotels Issuance.

#### **Revenue**

The total revenue of the Group for the year ended 31 December 2019 was approximately RMB20,972 million. The Deemed Disposal, if completed, is not expected to significantly change the revenue of the Group in the immediate future.

#### **Assets and Liabilities**

As at 31 December 2019, the net asset value of the Group was approximately RMB19,630 million. Upon completion of the Issuance, Jin Jiang Hotels will be able to raise gross proceeds of approximately RMB5,000 million in aggregate. Based on the estimation of the Board, the net asset value of the Group would be approximately RMB24,630 million, representing an increase of approximately 25.5% from approximately RMB19,630 million, upon completion of the Deemed Disposal.

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## LETTER FROM THE BOARD

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The Deemed Disposal, if completed, is not expected to significantly change the liabilities of the Group.

### **Financial Leverage**

Based on the annual report of the Group for the year ended 31 December 2019, the gearing ratio (defined as total liabilities over total assets of the Company) was approximately 45.6%. Upon completion of the Deemed Disposal, the gearing ratio of the Group is estimated to be approximately 42.3%.

## **VII. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

The uncertainties in the global politics and economy, periodic structural supply-and-demand correlation in the hotel industry and rapid development of information technology and mobile Internet will continue to affect the development of the Group's principal business. Despite the material negative impacts on the operation of global hotel industry due to the COVID-19 epidemic in early 2020, with the introduction and implementation of government policies to promote the development of the tourism industry, broad prospects for future development hold out for the PRC's hotel and tourism industry. The Group will actively seize any opportunities and address any challenges that might arise.

In pursuit of its strategic plan of “intensive domestic business development, global deployment and multinational operations”, the Group will uphold a development philosophy underpinned by innovation, coordination, ecofriendliness and sharing as it seeks to further entrench supply-side reforms, step up with the development of its core business, forge the “Jin Jiang” brand and advance the progress of international development in a prudent manner. The Group will make vigorous efforts to ensure proper integration relating to mergers and acquisitions, while driving capital, assets and fund operations and industry developments in a concerted manner to facilitate capital innovation and business breakthrough. The Group will also make advances in the innovation of mechanisms and regimes, with a view to enhancing vigour and energy in business development. The Group will step up with the international development and drive the progress of key projects as and when appropriate. Structural adjustments will be implemented and the industry mix will be improved. The Group will persist in a global talents strategy emphasising market-orientation, internationalisation and specialisation. Efforts will also be made to further enhance risk control and corporate governance.

The Group will seize the opportunities presented by the reform of state-owned assets and state-owned enterprises to enhance its development towards a market-oriented corporation. The Group will expedite the reforms of its institutional system and explore the innovation and transformation of operation models compatible with the age of Internet economy, while optimising the market-based remuneration regime and restraint and incentive mechanism. The Group will leverage on its strengths in specialisation, in a bid to foster a modern tourism service industry chain and a sharing economy platform centered on hotel operations. The Group will enhance asset liquidity and structural adjustments to further increase the overall asset return and enterprise value.

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## LETTER FROM THE BOARD

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### VIII. LISTING RULES IMPLICATIONS

As the Company will not participate in the subscription for new A shares under the Jin Jiang Hotels Issuance, based on the maximum amount of 150,000,000 A shares to be issued under the Issuance, the percentage of the Company's shareholdings in Jin Jiang Hotels will reduce from 50.32% to 43.50% at most following the completion of the Issuance, which constitutes a deemed disposal under Rule 14.29 of the Listing Rules. As the highest applicable percentage ratio for the Deemed Disposal exceeds 25% but is below 75%, the Deemed Disposal constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholders or any of their respective associates have a material interest in the Deemed Disposal, thus no Shareholders are required to abstain from voting at the EGM.

### IX. EGM

The Company will convene the EGM for the Shareholders to consider and, if thought fit, to approve, the Deemed Disposal. Details of the EGM and the resolution to be considered are set out in the notice of the EGM enclosed herein.

The register of members of the Company will be closed from Tuesday, 10 November 2020 to Friday, 13 November 2020, both days inclusive, during which period no transfer of H Shares will be effected. Shareholders whose names appear on the register of members of the Company at the close of business on Friday, 13 November 2020 will be entitled to attend the EGM.

Where applicable, Shareholders intending to attend the EGM shall lodge all transfer documents together with the relevant share certificates with Computershare Hong Kong Investor Services Limited, the Company's H share registrar and transfer office, not later than 4:30 p.m. on Monday, 9 November 2020.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited, in any event served in hand or by post not less than 24 hours before the time stipulated for convening the EGM or any adjourned meeting thereof (i.e. no later than 2:00 p.m. on Thursday, 12 November 2020). Completion and return of the proxy form will not preclude you from attending and voting at the EGM or at any adjourned meeting thereof in person if you so wish.

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## LETTER FROM THE BOARD

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### **X. RECOMMENDATION**

The Directors (including the independent non-executive Directors) consider that the Deemed Disposal is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the corresponding resolution at the EGM as set out in the notice of the EGM.

### **XI. ADDITIONAL INFORMATION**

Your attention is also drawn to the information set out in the appendices to this circular.

By Order of the Board  
**Shanghai Jin Jiang Capital Company Limited\***  
**Zhang Jue**  
*Joint Company Secretary*



**(A) FINANCIAL INFORMATION OF THE GROUP**

Details of the financial information of the Group for each of the three years ended 31 December 2017, 2018 and 2019 and for the six months ended 30 June 2020 are disclosed in the annual reports of the Company for the three years ended 31 December 2017, 2018 and 2019 and the interim report of the Company for the six months ended 30 June 2020, respectively. Together with the relevant notes thereto are disclosed in the following documents which have been published and are available on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)).

The audited consolidated financial statements of the Group for the years ended 31 December 2019, 2018 and 2017, together with the accompanying notes to the financial statements, can be found on pages 89 to 252 of the annual report of the Company for the year ended 31 December 2019, pages 89 to 252 of the annual report of the Company for the year ended 31 December 2018 and pages 89 to 244 of the annual report of the Company for the year ended 31 December 2017, respectively. The interim consolidated financial statements of the Group for the six months ended 30 June 2020, together with the accompanying notes to the financial statements can be found on pages 28 to 72 in the interim report of the Company for the six months ended 30 June 2020. Please see below the hyperlinks to the said annual reports and interim report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0428/2020042802146.pdf>

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0429/ltn20190429569.pdf>

<https://www1.hkexnews.hk/listedco/listconews/sehk/2018/0427/ltn201804272882.pdf>

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0925/2020092500793.pdf>

**(B) INDEBTEDNESS STATEMENT**

At the close of business on 31 August 2020, being the latest practicable date for the purpose of this indebtedness statement, the Group had total indebtedness of RMB30,907.1 million as set forth below:

	<b>Secured</b> <i>RMB'000</i>	<b>Unsecured</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
Bank borrowings	9,567,252	4,061,334	13,628,586
Bank overdraft	—	2,981	2,981
Related party borrowings	—	6,132,450	6,132,450
Lease liabilities	<u>11,143,055</u>	<u>—</u>	<u>11,143,055</u>
Total	<u><u>20,710,307</u></u>	<u><u>10,196,765</u></u>	<u><u>30,907,072</u></u>

Among the secured bank borrowings, an amount of RMB6,082.9 million was guaranteed by Jin Jiang International, an amount of RMB3,059.0 million was pledged by the equity interest in a subsidiary of the Group, an amount of RMB326.6 million was guaranteed by the French government, an amount of RMB53.6 million was pledged by the property, plant and equipment of certain subsidiaries of GDL located in Poland and the rest of RMB45.2 million was pledged by certain inventories of a subsidiary of the Group.

Lease liabilities of the Group, in respect of freehold land and land use rights, buildings, equipment and others, amounted to approximately RMB11,143.1 million.

Save as disclosed above and apart from intra-group liabilities, the Group did not have any outstanding debt securities issued and outstanding or authorised or otherwise created but unissued, term loans, other borrowings or indebtedness in the nature of borrowing including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, mortgages and charges, material contingent liabilities and guarantees outstanding at the close of business on 31 August 2020.

The Directors have confirmed that there has not been any material change in the indebtedness and contingent liabilities of the Group since 31 August 2020 and up to the Latest Practicable Date.

#### **(C) WORKING CAPITAL SUFFICIENCY**

Taking into account the completion of the Issuance by Jin Jiang Hotels to raise proceeds of not more than RMB5 billion and the financial resources available to the Group, including the internally generated funds and the available banking facilities, the Directors are of the opinion that the Group has sufficient working capital for its present requirements that is for at least the next 12 months from the date of this circular.

#### **(D) MATERIAL ADVERSE CHANGES**

As at the Latest Practicable Date, save as disclosed in the interim report of the Company dated 25 September 2020 in respect of the interim results of the Group for the six months ended 30 June 2020, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2019, being the date to which the latest published audited consolidated financial statements of the Company were made up.

**1. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

**2. DIRECTORS', SUPERVISORS', CHIEF EXECUTIVE'S AND SUBSTANTIAL SHAREHOLDERS' INTERESTS**

As at the Latest Practicable Date, none of the Directors, chief executives or supervisors of the Company had any interest or short positions in the Shares, underlying Shares or debentures of the Company which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which are required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which are otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code (which shall be deemed to apply to the supervisors of the Company to the same extent as it applies to the Directors).

As at the Latest Practicable Date, Mr. Yu Minliang (executive Director) is the chairman of Jin Jiang International; Ms. Guo Lijuan (executive Director) is the president of Jin Jiang International; Mr. Chen Liming (executive Director) is the vice president of Jin Jiang International; Mr. Ma Mingju (executive Director and chief executive officer of the Company) is the vice president of Jin Jiang International; Ms. Zhou Wei (executive Director) is the vice president of Jin Jiang International; and Mr. Sun Yu (executive Director) is the vice president of Jin Jiang International. Jin Jiang International is a company having, as at the Latest Practicable Date, an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### Interests in Shares or Underlying Shares or Debentures of Associated Corporations

As at the Latest Practicable Date, Mr. Yu Minliang, the chairman of the Board and an executive Director held the following number of shares in Jin Jiang Hotels:

Name	Number of shares in Jin Jiang Hotels held	Nature of interests	Capacity	Percentage in total share capital of Jin Jiang Hotels
Yu Minliang	14,305	Long position	Beneficial owner	0.0015%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executives or supervisors of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company's associated corporations (within the meaning of Part XV of the SFO), which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such Directors, chief executives or supervisors of the Company is taken or deemed to have under such provisions of the SFO) or which are required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which are otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code (which shall be deemed to apply to the supervisors of the Company to the same extent as it applies to the Directors).

### 3. DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors or supervisors of the Company has entered into any service contract with any member of the Group which is not expiring or terminable by such member of the Group within one year without any payment of compensation, other than statutory compensation.

### 4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or, so far as is known to them, any of their respective close associates was interested in any business (apart from the business of the Group) which competes or is likely to compete either directly or indirectly with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder).

### 5. INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors or supervisors of the Company had any direct or indirect interest in any assets which have been, since 31 December 2019 (being the date to which the latest published audited accounts of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors or supervisors of the Company was materially interested in any contract or arrangement, subsisting at the date of this circular, which is significant in relation to the business of the Group.

## 6. LITIGATION

As at the Latest Practicable Date, no litigation or claim of material importance is known to the Directors to be pending or threatened against any member of the Group.

## 7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the date of this circular:

- (i) On 23 November 2018, Jin Jiang Hotels, entered into an equity transfer agreement with Ever Felicitous Limited (held as to 77.84% by Mr. Zheng Nanyan), Fortune News International Limited (wholly-owned by Mr. Zheng Nanyan) and Mr. Zheng Nanyan, pursuant to which Jin Jiang Hotels shall acquire 3.49825% equity interest in Keystone Lodging Holdings Limited held in aggregate by Ever Felicitous Limited and Fortune News International Limited for a cash consideration of RMB351,216,077.14. Following the completion of the transactions, the percentage of Jin Jiang Hotels's shareholdings in Keystone Lodging Holdings Limited increased from 93.0035% to 96.50175%.
- (ii) On 21 December 2018, the Company entered into an asset and equity transaction contract with Shanghai Jin Jiang International Investment and Management Company Limited ("**Jin Jiang International Investment**") by way of negotiated assignment through the Shanghai United Assets and Equity Exchange, pursuant to which the Company has agreed to dispose and Jin Jiang International Investment has agreed to acquire 5% equity interest in Shanghai Hua Ting Hotel and Towers Company Limited ("**Hua Ting Hotel**") held by the Company at a cash consideration of RMB130,828,050.79. Upon completion of the transaction, the Company ceased to hold any equity interest in Hua Ting Hotel.
- (iii) On 8 January 2020, Shanghai Jin Jiang International Hotel Investment Company Limited ("**Hotel Investment Company**"), a wholly-owned subsidiary of Jin Jiang Hotels entered into two asset and equity transaction contracts with Shanghai Guanglv Enterprise Management Company Limited ("**Shanghai Guanglv**"), pursuant to which, Hotel Investment Company agreed to dispose and Shanghai Guanglv agreed to acquire Xi'an Jin Jiang Inn Company Limited and Zhengzhou Jin Jiang Inn Company Limited with respective cash consideration of RMB75,193,051.99 and RMB60,168,475.98. Upon completion of the transactions, the two target companies ceased to be the subsidiaries of Jin Jiang Hotels and the Company.

- (iv) On 26 March 2020, Shanghai Jin Jiang Automobile Services Co., Ltd. (“**Jin Jiang Automobile**”), a subsidiary of Shanghai Jin Jiang International Industrial Investment Company Limited (which is a subsidiary of the Company) (“**Jin Jiang Investment**”) entered into a vehicle rental contract with Jin Jiang International, pursuant to which, Jin Jiang International agreed to purchase the vehicle leasing services from Jin Jiang Automobile during the period from 21 January 2020 to 31 March 2020 for the vehicle services organised by the government for prevention of the COVID-19 epidemic. The transaction amount was RMB54,847,500.
- (v) On 27 March 2020, Jin Jiang Hotels entered into the buyout agreement of guest rooms and related services with Jin Jiang International, pursuant to which, Jin Jiang International agreed to purchase the guest rooms and related services that are expropriated by local governments for prevention of the COVID-19 epidemic in the hotels which are wholly owned or controlled by Jin Jiang Hotels and its subsidiaries. The transaction amount was RMB266,427,856.
- (vi) On 31 March 2020, Jin Jiang Hotels entered into an equity transfer agreement with Jin Jiang International Investment, pursuant to which, Jin Jiang Hotels agreed to dispose and Jin Jiang International Investment agreed to acquire 70% equity interest in Shanghai Jin Jiang Da Hua Hotel Company Limited at cash consideration of RMB171,441,616.06. Upon completion of the transaction, Shanghai Jin Jiang Da Hua Hotel Company Limited ceased to be a subsidiary of Jin Jiang Hotels and the Company.
- (vii) On 7 May 2020, Shanghai New Asia Plaza Great Wall Hotel Company Limited (“**Plaza Great Wall**”), a wholly-owned subsidiary of the Company, entered into the buyout agreement of Plaza Great Wall guest rooms and related services with Jin Jiang International, pursuant to which, Jin Jiang International agreed to purchase the guest rooms and related services from Plaza Great Wall that are expropriated by the government for prevention of the COVID-19 epidemic. The transaction amount was RMB15,370,400.
- (viii) On 7 May 2020, Wuhan Jin Jiang International Hotel Co., Ltd. (“**Wuhan Jin Jiang**”), a wholly-owned subsidiary of the Company, entered into the buyout agreement of Wuhan Jin Jiang guest rooms and related services with Jin Jiang International, pursuant to which, Jin Jiang International agreed to purchase the guest rooms and related services from Wuhan Jin Jiang that are expropriated by the government for prevention of the COVID-19 epidemic. The transaction amount was RMB28,120,800.
- (ix) On 1 June 2020, Jin Jiang Automobile, a subsidiary of Jin Jiang Investment, entered into an asset and equity transaction contract with Jin Jiang International, pursuant to which Jin Jiang International agreed to dispose and Jin Jiang Automobile agreed to acquire 100% equity interests in Shanghai Gaoxiao Taxi

Company Limited for a cash consideration of RMB25,838,170.79. Following the completion of the transaction, Shanghai Gaoxiao Taxi Company Limited became a subsidiary of the Company.

- (x) On 24 June 2020, the Company, Jin Jiang International, Jin Jiang Hotel Company Limited (“**Jin Jiang Hotel**”) and Jin Jiang International Finance Company Limited (“**Finance Company**”) entered into a capital increase agreement, pursuant to which, the registered capital of Finance Company was proposed to increase from RMB500 million to RMB1 billion, and the Company and Jin Jiang International agreed to contribute RMB656,910,000 and RMB154,090,000, respectively, to Finance Company to subscribe for its increased registered capital of RMB500 million on the basis of the owners’ interests of Finance Company of RMB811,000,000 as at the valuation benchmark date (i.e. 30 June 2019). The surplus part of RMB311,000,000 in aggregate would be recorded in the capital reserve of Finance Company. Upon completion of the capital increase, the Company, Jin Jiang International and Jin Jiang Hotel held 85.5%, 9.5% and 5% of the issued share capital of Finance Company, respectively.
- (xi) On 26 October 2020, the Company and SIG Asset Management Co., Ltd. (“**SIGAM**”) entered into an asset and equity transaction contract, pursuant to which SIGAM agreed to transfer and the Company agreed to acquire 12.50% equity interests in Beijing Kunlun Hotel Co., Ltd. for a transaction amount of RMB421,043,879.01. On the same date, the Company and SIGAM entered into an asset and equity transaction contract, pursuant to which the Company agreed to transfer and SIGAM agreed to acquire 22.68% equity interests in Sofitel Hyland Shanghai Co., Ltd. (“**Sofitel Hyland**”) for a transaction amount of RMB421,040,679.42.
- (xii) On 26 October 2020, the Company and SIGAM entered into an asset and equity transaction contract, pursuant to which SIGAM agreed to transfer and the Company agreed to acquire 35% equity interests in Shanghai Jian Guo Hotel Co., Ltd. for a transaction amount of RMB534,569,655.20. On the same date, the Company and SIGAM entered into an asset and equity transaction contract, pursuant to which the Company agreed to transfer and SIGAM agreed to acquire 28.80% equity interests in Sofitel Hyland for a transaction amount of RMB534,654,831.00.

## 8. MISCELLANEOUS

- (a) One of the joint company secretaries of the Company is Ms. Zhang Jue. She holds a bachelor’s degree. She was a securities affairs representative of Jin Jiang Hotels, a board secretary and a deputy director of planning and development department of Shanghai Jin Jiang International Travel Co., Ltd. (“**Jin Jiang Travel**”). She is currently a director of Jin Jiang Investment and Jin Jiang Travel. The other joint company secretary of the Company is Ms. So Lai Shan (蘇麗珊). Ms. So joined the Company on 31 August 2018. Ms. So is an assistant manager of the Listing Services Department of TMF Hong Kong Limited and has more than nine years

of experience in company secretarial field. She is an associate member of the Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute in the United Kingdom.

- (b) The legal address of the Company in the PRC is Room 316–318, No. 24 Yang Xin Dong Road, Shanghai, the PRC and the principal place of business of the Company in the PRC is 26/F., Union Building, No. 100 Yan'an East Road, Shanghai, the PRC. The Hong Kong H share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (c) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

## **9. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong for a period of 14 days (excluding Saturdays, Sundays and public holidays) from the date of this circular:

- (i) articles of association of the Company;
- (ii) the material contracts as referred to in the paragraph headed “7. Material Contracts” in this Appendix;
- (iii) the annual reports of the Company for the two financial years ended 31 December 2019 and 2018 respectively; and
- (iv) this circular.



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Shanghai Jin Jiang Capital Company Limited\*

上海錦江資本股份有限公司

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 02006)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting of Shanghai Jin Jiang Capital Company Limited (the “**Company**”) for the year 2020 (the “**EGM**”) will be held at 2:00 p.m. on Friday, 13 November 2020 at Jin Jiang Grand Hall, 59 South Maoming Road, Huangpu District, Shanghai, the PRC for the following purposes:

by way of ordinary resolution:

1. Consider and approve the deemed disposal of maximum 6.82% equity interest in Shanghai Jin Jiang International Hotels Company Limited (“**Jin Jiang Hotels**”) by not subscribing for the A shares to be issued under the non-public issuance by Jin Jiang Hotels.

By Order of the Board

**Shanghai Jin Jiang Capital Company Limited\***

**Zhang Jue**

*Joint Company Secretary*

Shanghai, the PRC, 29 October 2020

#### **Notes:**

- (A) For the purpose of holding the EGM, the register of members of the Company (the “**Register of Members**”) will be closed from Tuesday, 10 November 2020 to Friday, 13 November 2020 (both dates inclusive), during which period no share transfers will be registered. Shareholders of the Company whose names appear on the Register of Members on Friday, 13 November 2020 are entitled to attend and vote at the EGM.
- (B) In order to attend the EGM, holders of the Company’s H shares shall lodge all transfer documents together with the relevant share certificates with Computershare Hong Kong Investor Services Limited, the Company’s H share registrar and transfer office, not later than 4:30 p.m. on Monday, 9 November 2020.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (C) Each holder of H shares of the Company who has the right to attend and vote at the EGM is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the EGM.
- (D) A proxy must be appointed by a shareholder in writing and the instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing or, in the case of the shareholder being a corporation, must be either executed under its common seal or under the hand of its directors(s) or attorney(s) duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other authorisation documents, must be notarised.
- (E) For holders of H shares of the Company, the form of proxy and, if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 24 hours before the time appointed for holding the EGM (i.e. no later than Thursday, 12 November 2020 at 2:00 p.m.) or any adjournment thereof in order for such documents to be valid.
- (F) Each holder of domestic shares of the Company is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the EGM. Notes (C) to (E) also apply to holders of domestic shares of the Company, except that the form of proxy or other documents of authority must be delivered to the Office of the Board of the Company, the address of which is set out below, not later than 24 hours before the time appointed for holding the EGM (i.e. no later than Thursday, 12 November 2020 at 2:00 p.m.) or any adjournment thereof in order for such documents to be valid.

Details of the Office of the Board of Directors are as follows:

26/F., Union Building  
No. 100 Yan'an East Road  
Shanghai  
The People's Republic of China  
Post code: 200002  
Tel: (86 21) 6326 4000  
Fax: (86 21) 6323 8221

- (G) If a proxy attends the EGM on behalf of a shareholder, he should produce his identity card and the form of proxy signed by the shareholder or his legal representative or his duly authorised attorney, specifying the date of its issuance. If a corporate shareholder appoints its corporate representative to attend the EGM, such representative should produce his identity card and the notarised copy of the resolution passed by the board of directors or other authorities of such corporate shareholder.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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(H) In accordance with the requirements of Rule 13.39(4) of the Listing Rules, all votes of the shareholders to be taken at a general meeting shall be taken by poll. Therefore, in accordance with Article 8.17 of the articles of association of the Company, the chairman of the EGM will demand a poll for all resolutions to be voted on as set out in this notice of EGM.

On a poll taken at the meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.

(I) The EGM is expected to last for half a day. Shareholders attending the EGM are responsible for their own transportation and accommodation expenses.

*As at the date of this notice, the executive directors of the Company are Mr. Yu Minliang, Ms. Guo Lijuan, Mr. Chen Liming, Mr. Ma Mingju, Ms. Zhou Wei and Mr. Sun Yu; and the independent non-executive directors of the Company are Mr. Ji Gang, Dr. Rui Mingjie and Mr. Shen Liqiang.*

\* *The Company is registered as a non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) under its Chinese name and the English name “Shanghai Jin Jiang Capital Company Limited”.*