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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 a stockbroker or other licensed dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Cogobuy Group, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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*(a company incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock Code: 0400)**

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND  
RE-DESIGNATION OF DIRECTOR  
AND  
PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE SHARES  
AND  
SPECIFIC MANDATE TO ISSUE SHARES UNDER THE RSU SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting of Cogobuy Group to be held at IngDan Innovation Center, 1st Floor Microsoft Comtech Tower, No. 55 Gaoxin South 9th Road, Nanshan District, Shenzhen, China on Wednesday, 10 June 2020 at 2:30 p.m. is set out on pages 25 to 30 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.cogobuy.com>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 2:30 p.m. on Monday, 8 June 2020 or not less than 48 hours before the time appointed for holding any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

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

**PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

Please see page 31 of this document for measures being taken to try to prevent and control the spread of the Novel Coronavirus Disease (COVID-19) at the Annual General Meeting, including:

- compulsory body temperature checks and health declarations
- compulsory wearing of a surgical face mask for each attendee
- no distribution of corporate gift or refreshment

Any person who does not comply with the precautionary measures or is subject to any quarantine prescribed by the Government of the People's Republic of China will be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b>	
1. Introduction .....	5
2. Proposed Re-election of Retiring Directors and Re-designation of Director .....	6
3. Proposed Granting of General Mandate to Repurchase Shares .....	8
4. Proposed Granting of General Mandate to Issue Shares .....	8
5. Proposed Granting of Specific Mandate to Issue Shares under the RSU Scheme .....	9
6. Re-appointment of SHINEWING (HK) CPA LIMITED as Auditor of the Company .....	13
7. Annual General Meeting and Proxy Arrangement .....	13
8. Closure of Register of Members .....	13
9. Responsibility Statement .....	14
10. Recommendation .....	14
<b>Appendix I — Details of the Retiring Directors Proposed to be         Re-elected at the Annual General Meeting</b> .....	15
<b>Appendix II — Explanatory Statement on the Share Repurchase Mandate</b> .....	17
<b>Appendix III — Information regarding the RSU Scheme and the Scheme Mandate</b> ...	22
<b>Notice of Annual General Meeting</b> .....	25
<b>Precautionary Measures for the Annual General Meeting</b> .....	31

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at IngDan Innovation Center, 1st Floor Microsoft Comtech Tower, No. 55 Gaoxin South 9th Road, Nanshan District, Shenzhen, China on Wednesday, 10 June 2020 at 2:30 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 25 to 30 of this circular, or any adjournment thereof (as the case may be);
“Articles of Association”	the amended articles of association of the Company adopted on 27 June 2014 and effected on the Listing Date;
“Board”	the board of directors of the Company;
“Company”	Cogobuy Group 科通芯城集團, a 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;
“Director(s)”	the director(s) of the Company;
“Envision Global”	Envision Global Investments Limited, a limited liability company incorporated in the British Virgin Islands on 1 February 2012 which is wholly-owned by Mr. Kang Jingwei, Jeffrey and is our immediate controlling Shareholder;
“Group”	the Company and its subsidiaries, including Shenzhen Cogobuy Information Technologies Limited (深圳市可購百信信息技術有限公司) (the financial results of which have been consolidated and accounted for as a subsidiary of the Company by virtue of the contractual agreements as described in the prospectus of the Company dated 8 July 2014);
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Ingdan Innovations”	a business unit of the Group consisting of Comtech Industrial Technology (Shenzhen) Co., Ltd. (科通工業技術(深圳)有限公司) and its subsidiaries, for chips sales and AIoT services businesses;

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## DEFINITIONS

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“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares in the share capital of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 25 to 30 of this circular as described in the section headed “4. Proposed granting of general mandate to issue Shares”;
“Latest Practicable Date”	23 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Date”	18 July 2014, being the listing date on which the Shares were listed on the Main Board of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Ms. Yao”	Ms. Yao Yi (姚怡), our substantial shareholder, the sole shareholder of Shenzhen Cogobuy, and the wife of Mr. Li Feng, one of our senior management members of Ingdan Innovations;
“Nomination Committee”	nomination committee of the Company;
“PRC”	the People’s Republic of China, excluding for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Remuneration Committee”	remuneration committee of the Company;
“RMB”	Renminbi, the lawful currency of the People’s Republic of China;
“RSUs” or “Restricted Share Units”	Restricted share units granted under the RSU Scheme;
“RSU Scheme”	the restricted share unit scheme adopted by the Company to grant RSUs to directors, senior management and employees of the Group, which took effect on 1 March 2014 and was amended and restated on 21 December 2014;

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## DEFINITIONS

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“RSU Specific Mandate”	a specific mandate granted to the Directors to issue, allot, procure the transfer of and otherwise deal with not more than 3% of the total number of Shares in the Company in issue on the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting as set out on pages 25 to 30 of this circular as described in the section headed “5. Proposed granting of specific mandate to issue Shares under the RSU Scheme”;
“Scheme Trustees”	Computershare Hong Kong Trustees Limited and The Core Trust Company Limited, the trustees appointed by the Company for holding all of the Shares in trust for satisfying release of Shares upon vesting under RSUs granted by the Company to eligible participants of the RSU Scheme;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of US\$0.0000001 each in the issued capital of the Company;
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares in the share capital of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 25 to 30 of this circular as described in the section headed “3. Proposed granting of general mandate to repurchase Shares”;
“Shareholder(s)”	holder(s) of Share(s);
“Shenzhen Cogobuy”	Shenzhen Cogobuy Information Technologies Limited (深圳市可購百信息技術有限公司), a limited liability company established in the People’s Republic of China on 13 December 2012, wholly-owned by Ms. Yao and, by virtue of the contractual arrangements, accounted for as our subsidiary;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	the meaning ascribed to it under the Listing Rules;
“substantial shareholder(s)”	the meaning ascribed to it under the Listing Rules;

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## DEFINITIONS

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“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong as amended, supplemented or otherwise modified from time to time;
“US\$”	United States dollar(s), the lawful currency of the United States;
“%”	per cent.



**COGOBUY GROUP**

**科通芯城集團**

*(a company incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock Code: 0400)**

*Executive Directors:*

Mr. Kang Jingwei, Jeffrey  
Mr. Wu Lun Cheung Allen  
Ms. Ni Hong, Hope

*Registered Office:*

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

*Independent non-executive Directors:*

Mr. Ye Xin  
Dr. Ma Qiyuan  
Mr. Hao Chunyi, Charlie

*Principal Place of Business*

*in Hong Kong:*  
Block A, 5th Floor  
Goodman Kwai Chung Logistics Centre  
585–609 Castle Peak Road  
Kwai Chung  
New Territories  
Hong Kong

28 April 2020

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND  
RE-DESIGNATION OF DIRECTOR  
AND  
PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE SHARES  
AND  
SPECIFIC MANDATE TO ISSUE SHARES UNDER THE RSU SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 10 June 2020 to enable the Shareholders to make an informed decision on whether to vote for or against such resolutions.

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## LETTER FROM THE BOARD

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### 2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND RE-DESIGNATION OF DIRECTOR

#### Proposed Re-election of Retiring Directors

In accordance with Articles 84(1) and (2) of the Articles of Association, Mr. Ye Xin and Dr. Ma Qiyuan shall retire at the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

In considering and approving such re-election, the Nomination Committee has taken into account a wide range of diversity perspectives including, but not limited to, gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience, as set out in the board diversity policy of the Company.

The Nomination Committee has assessed and reviewed the written confirmations of the independence of both Mr. Ye Xin and Dr. Ma Qiyuan who offered themselves for re-election at the Annual General Meeting, based on the independence criteria as set out in Rule 3.13 of the Listing Rules, and is satisfied that they remain independent.

The Nomination Committee has also considered that the strong business background of Mr. Ye Xin and Dr. Ma Qiyuan and their experiences as senior management in various industries will continue to bring contribution to the development of the Company. In addition, Mr. Ye Xin and Dr. Ma Qiyuan have provided in-depth insights to the Board and demonstrated their abilities to provide independent, balanced and impartial views to the Company's affairs.

As such, the Board proposes each of Mr. Ye Xin and Dr. Ma Qiyuan to stand for re-election as Directors at the Annual General Meeting.

Details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

Subject to the requirements under the Listing Rules and the Articles of Association, a Shareholder may nominate a person to stand for election as a Director.

#### Proposed Re-designation of Director

The Board proposes to re-designate Ms. Ni Hong, Hope (“**Ms. Ni**”) from an executive Director to a non-executive Director with effect from the date of passing of the relevant resolution at the Annual General Meeting, upon which she will also cease to be the Chief Investment Officer of the Group. The biographical details of Ms. Ni are set out below:

Ms. Ni, aged 47, was appointed as an executive Director of the Company in March 2015.



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## LETTER FROM THE BOARD

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Ms. Ni is currently serving as an independent director of ATA Creativity Global (formerly known as ATA Inc.), a NASDAQ listed company (NASDAQ: AACG). Ms. Ni is also currently serving as an independent non-executive director of Digital China Holdings Limited (stock code: 861), a company listed on the Stock Exchange.

Previously, Ms. Ni served as a director of ATA Online (Beijing) Education Technology Co., Limited, a company formerly listed on NEEQ (NEEQ: 835079), from July 2015 to August 2018, an independent director of JA Solar Holdings, Co. Ltd, a NASDAQ listed company (NASDAQ: JASO) from August 2009 to July 2018, a director of KongZhong Corporation, a company formerly listed on NASDAQ, from January 2007 to March 2017 and the chief financial officer and director of Viewtran Group, Inc. (“**Viewtran**”), a former NASDAQ listed company (OTCMKTS: VIEWF) from August 2004 to January 2008 and subsequently served as its vice chairman until early 2009. Prior to joining Viewtran, Ms. Ni spent six years serving as a practicing attorney at Skadden, Arps, Slate, Meagher & Flom LLP in New York and Hong Kong, specializing in corporate finance. Prior to that, Ms. Ni worked at Merrill Lynch’s investment banking division in New York.

Ms. Ni obtained her Juris Doctor degree from the University of Pennsylvania Law School in 1998 and her bachelor’s degree in applied economics and business management from Cornell University in 1994.

The current appointment letter between the Company and Ms. Ni will be terminated upon her re-designation as a non-executive Director. The Company will enter into a new letter of appointment with Ms. Ni regarding her appointment as non-executive Director for a period of three years with effect from the date of passing the resolution, subject to retirement as and when required under the Articles of Association and subject to the terms and conditions specified in the appointment letter. Ms. Ni will be entitled to a director’s fee of HK\$300,000 per annum and a discretionary bonus in accordance with her appointment letter which is determined in accordance with the policy reviewed by the Remuneration Committee, based on appropriate criteria including but not limited to meritocracy and common market practice for comparable board compensations of other listed issuers.

Save as disclosed above, at the Latest Practicable Date, Ms. Ni (i) does not hold any other position with the Company and other members of the Company and its subsidiaries; (ii) is not related to any Directors, senior management, substantial or controlling shareholders of the Company; (iii) has not held other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or other major appointments and professional qualifications; and (iv) does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders in connection with Ms. Ni’s re-designation as a non-executive Director and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

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## LETTER FROM THE BOARD

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### 3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 6 June 2019, a general mandate was granted to the Directors to repurchase Shares. Such general mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of the issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 25 to 30 of this circular (i.e. a total of 142,733,273 Shares assuming that the issued share capital of the Company remains unchanged between the Latest Practicable Date and the date of the Annual General Meeting). Any repurchase may be done subject to market conditions and at the Board's absolute discretion.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

The Share Repurchase Mandate, if granted, shall continue to be in force during the period from the date of passing of the resolutions for the approval of the Share Repurchase Mandate up to (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 or any applicable laws to be held; or (iii) the date of revocation or variation of the Share Repurchase Mandate by ordinary resolution of the Shareholders in a general meeting, whichever occurs first.

### 4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 6 June 2019, a general mandate was granted to the Directors to issue, allot and deal with Shares. Such general mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue and deal with additional Shares up to a limit equal to 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 25 to 30 of this circular (i.e. a total of 285,466,546 Shares assuming that the issued share capital of the Company remains unchanged between the Latest Practicable Date and the date of the Annual General Meeting).

In addition, a separate ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting contained in item 7 of the notice of the Annual General Meeting as set out on pages 25 to 30 of this circular.

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## LETTER FROM THE BOARD

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The Issuance Mandate (including the extended Issuance Mandate), if granted, shall continue to be in force during the period from the date of passing of the resolutions for the approval of the Issuance Mandate (including the extended Issuance Mandate) up to (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 or any applicable laws to be held; or (iii) the date of revocation or variation of the Issuance Mandate (including the extended Issuance Mandate) by ordinary resolution of the Shareholders in a general meeting, whichever occurs first.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate (if granted to the Directors at the Annual General Meeting).

### **5. PROPOSED GRANTING OF SPECIFIC MANDATE TO ISSUE SHARES UNDER THE RSU SCHEME**

Reference is made to the prospectus of the Company dated 8 July 2014 and the announcement dated 22 December 2014 in relation to the RSU Scheme. The RSU Scheme is not a share option scheme and is not subject to the provisions of Chapter 17 of the Listing Rules.

Pursuant to the written resolutions of all the Shareholders passed on 27 June 2014, the Company issued and allotted 30,200,000 Shares to the trustee which held the Shares in trust for satisfying release of shares upon vesting under RSUs granted by the Company to eligible participants of the RSU Scheme. To satisfy the grant of shares under the RSU Scheme, 14,107,500 Shares, 10,200,000 Shares and 14,000,000 Shares were issued in aggregate on 23 October 2015, 18 December 2018 and 3 September 2019 respectively.

In addition, for the purpose of the RSU Scheme, Shares have been purchased from the market from time to time by Computershare Hong Kong Trustees Limited, a trustee of the RSU Scheme, which held the Shares in trust to be utilized to satisfy future grant of awards by the Company to eligible participants of the RSU Scheme. During the period from the date of the adoption of the RSU Scheme to the Latest Practicable Date, Computershare Hong Kong Trustees Limited purchased 1,952,000 Shares, 9,284,000 Shares, 2,250,000 Shares, 8,400,000 Shares in 2015, 2016, 2017 and 2018 respectively on the market and no Shares were purchased in 2019, which made up for a total of 21,886,000 Shares, of which 6,692,000 Shares have been utilized to satisfy the grant of shares under the RSU Scheme, and 15,194,000 Shares are unallocated.

At the annual general meeting of the Company held on 6 June 2019, a specific mandate was granted to the Directors to grant RSUs in connection with the RSU Scheme of the Company and to issue, allot, procure the transfer of, and otherwise deal with the Shares granted under the RSU Scheme. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to grant RSUs in connection with the RSU Scheme and to issue, allot, procure the transfer of, and otherwise deal with the Shares granted under the RSU Scheme if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the RSU Specific Mandate to issue and allot not more than 3% of the total number of Shares in the Company in issue on the date of passing of the proposed ordinary

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## LETTER FROM THE BOARD

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resolution contained in item 8 of the notice of the Annual General Meeting as set out on pages 25 to 30 of this circular (i.e. a total of 42,819,981 Shares assuming that the issued share capital of the Company remains unchanged between the Latest Practicable Date and the date of the Annual General Meeting), and to procure the transfer of, and otherwise deal with, the Shares granted under the RSU Scheme. The RSU Specific Mandate, if granted, will remain in effect during the period from the date of passing of the ordinary resolution granting the RSU Specific Mandate 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 or any applicable laws to be held; and
- (iii) the date of revocation or variation of RSU Specific Mandate by ordinary resolution of the Shareholders in a general meeting.

The table below is for illustration only and sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) upon allotment and issue of all the Shares if the RSU Specific Mandate is exercised in full, assuming no other Shares will be issued between the Latest Practicable Date and the date until all new Shares have been allotted and issued under the RSU Specific Mandate (if any):

	<b>As at the Latest Practicable Date</b>		<b>Immediately after the issue of Shares under the RSU Specific Mandate if exercised in full</b>	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
<b>Shares Held by Connected Persons</b>				
Envision Global	650,200,000	45.55%	650,200,000	44.23%
Total Dynamic Holdings Limited ( <i>Note 1</i> )	182,888,000	12.81%	182,888,000	12.44%
Mr. Kang Jingwei, Jeffrey ( <i>Note 2</i> )	1,800,000	0.13%	1,800,000	0.12%
Mr. Wu Lun Cheung Allen ( <i>Note 2</i> )	<u>1,800,000</u>	<u>0.13%</u>	<u>1,800,000</u>	<u>0.12%</u>
Subtotal	<u>836,688,000</u>	<u>58.62%</u>	<u>836,688,000</u>	<u>56.91%</u>
<b>In Public Hands</b>				
Other existing grantees under the RSU Scheme ( <i>Note 3</i> )	41,607,976	2.92%	41,607,976	2.83%
Other public shareholders	<u>514,284,432</u>	<u>36.03%</u>	<u>514,284,432</u>	<u>34.98%</u>
Subtotal	<u>555,892,408</u>	<u>38.95%</u>	<u>555,892,408</u>	<u>37.81%</u>

## LETTER FROM THE BOARD

	As at the Latest Practicable Date		Immediately after the issue of Shares under the RSU Specific Mandate if exercised in full	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
<b>Others</b>				
Returned Shares ( <i>Note 4</i> )	13,078,324	0.92%	13,078,324	0.89%
Unallocated Shares ( <i>Note 5</i> )	15,194,000	1.06%	15,194,000	1.04%
Repurchased Shares ( <i>Note 6</i> )	6,480,000	0.45%	6,480,000	0.44%
Grantees under the RSU Specific Mandate	—	—	42,819,981	2.91%
Subtotal	34,752,324	2.43%	77,572,305	5.28%
<b>Total</b>	<b>1,427,332,732</b>	<b>100%</b>	<b>1,470,152,713</b>	<b>100%</b>

*Notes:*

1. Total Dynamic Holdings Limited is owned by Ms. Yao as to 100%.
2. Each of Mr. Kang Jingwei, Jeffrey and Mr. Wu Lun Cheung Allen is a Director. 1,800,000 Shares were granted to each of Mr. Kang Jingwei, Jeffrey and Mr. Wu Lun Cheung Allen, under the RSU Scheme on 1 March 2014 (i.e. before the Listing Date). All of the Shares granted to each of Mr. Kang and Mr. Wu have vested in 2016.
3. As at the Latest Practicable Date, 75,807,500 Shares were awarded to employees of the Company who are not connected persons of the Company under the RSU Scheme, which include (i) 53,105,348 Shares were vested with 35,124,648 Shares currently undisposed or held under a nominee account for and on behalf of the beneficiaries; (ii) 6,483,328 Shares have not yet vested under the RSU Scheme and are held for and on behalf of the beneficiaries by Computershare Hong Kong Trustees Limited, which is not a connected person of the Company; and (iii) 16,218,824 forfeited Shares. The Shares which are beneficially owned by other existing grantees under the RSU Scheme include the 35,124,648 vested but undisposed Shares and the 6,483,328 unvested Shares.
4. Returned Shares refer to the unvested Shares previously granted to employees but were forfeited voluntarily or forfeited at the date of their resignation. Returned Shares are held by Computershare Hong Kong Trustees Limited on trust and are expected to be utilized to satisfy future grant of award, if any.
5. Unallocated Shares refer to the Shares previously purchased by Computershare Hong Kong Trustees Limited on trust to be utilized to satisfy future grant of award.
6. Repurchased Shares refer to the Shares that have been repurchased by the Company, which will be cancelled but have not yet been cancelled as the Latest Practicable Date.

The cost attributable to the grant of any awards under the RSU Scheme will be accounted for by reference to the market value of the Shares at the time of the grant, taking into account the terms and conditions upon which Shares were granted. The fair value of the RSUs granted to employees is recognized as an employee cost with a corresponding increase in a capital reserve within equity. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the RSUs, the total estimated fair value of the RSUs as of the grant date

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## LETTER FROM THE BOARD

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is spread over the vesting period, taking into account the probability that the RSUs will vest. The Company will give due consideration to any financial impact arising from the grant of awards under the RSU Scheme before exercising the RSU Scheme Mandate.

For the avoidance of doubt, any Shares issued pursuant to the RSU Specific Mandate will not count towards the Shares to be issued (if any) pursuant to the Issuance Mandate proposed under the ordinary resolution contained in item 6 of the notice of the Annual General Meeting.

The Company will comply with the relevant requirements under Chapter 14A of the Listing Rules for any grant of Shares to connected persons of the Company. As at the Latest Practicable Date, save for the 1,800,000 Shares granted to each of Mr. Kang Jingwei, Jeffrey and Mr. Wu Lun Cheung Allen, no Shares have been granted to connected persons of the Company.

The Company has two trustees for the RSU Scheme, Computershare Hong Kong Trustees Limited (“**Computershare**”) and The Core Trust Company Limited (“**Core Trust**”, and together with Computershare, the “**Trustees**”), which are third parties independent of the Company. The Directors do not have any interest in the Trustees. As at the Latest Practicable Date, the Group had approximately 556 employees, of which 15 are participants of the RSU Scheme. Core Trust holds the Shares under the RSU Scheme for beneficiaries who are connected persons of the Company and Computershare holds the Shares under the RSU Scheme for beneficiaries who are not connected persons of the Company. Core Trust is an associate of the connected persons of the Company. If the Company issues any new Shares to Core Trust, it will constitute a connected transaction under Chapter 14A of the Listing Rules and the Company will comply with the relevant requirements accordingly. If the Company purchases Shares in the open market to satisfy any grant to its connected persons (including Core Trust), it will not constitute a connected transaction under Chapter 14A of the Listing Rules. Computershare will not be a connected person of the Company under Chapter 14A of the Listing Rules because it does not hold the Shares under the RSU Scheme for and on behalf of the Directors and is therefore not a “close associate” of the Directors for the purpose of Rule 1.01 of the Listing Rules. As at the Latest Practicable Date, (i) Core Trust does not hold any Shares for and on behalf of the connected persons of the Company; and (ii) Computershare holds 6,483,328 Shares for and on behalf of independent third parties prior to them being vested and these Shares are counted towards the public float for the purpose of Rules 8.08 and 8.24 of the Listing Rules.

The Trustees who collectively hold 6,483,328 Shares, representing approximately 0.45% of the total number of Shares in issue on the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting, on the assumption that no Shares are issued to the Trustees during the period between the Latest Practicable Date and the date of the Annual General Meeting, shall not exercise the voting rights in respect of any Shares held under trust and will therefore abstain from voting on the proposed resolution contained in item 8 of the notice of the Annual General Meeting. Save as disclosed above, to the best of the Directors’ knowledge, information and belief, no other Shareholder is required to abstain from voting at the Annual General Meeting in respect of the RSU Scheme.



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## LETTER FROM THE BOARD

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Further information in connection with the RSU Scheme is set out in Appendix III to this circular.

### **6. RE-APPOINTMENT OF SHINEWING (HK) CPA LIMITED AS AUDITOR OF THE COMPANY**

The Board proposes to re-appoint SHINEWING (HK) CPA Limited as auditor of the Company to hold office until the conclusion of the next annual general meeting. A resolution will also be proposed to authorize the Board to fix the auditor's remuneration. SHINEWING (HK) CPA Limited has indicated its willingness to be re-appointed as the Company's auditor for the said period.

### **7. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT**

The notice of the Annual General Meeting, which contains, *inter alia*, ordinary resolutions to approve the Issuance Mandate, the extension of the Issuance Mandate, the Share Repurchase Mandate, the RSU Specific Mandate, the re-election of the retiring Directors, the re-designation of Director and the re-appointment of the Company's auditor, is set out on pages 25 to 30 of this circular.

Pursuant to the Listing Rules and Article 66(1) of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll, except where the chairman decides to allow a resolution relating purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.cogobuy.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 share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 2:30 p.m. on Monday, 8 June 2020 or not less than 48 hours before the time appointed for holding any adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

### **8. CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Friday, 5 June 2020 to Wednesday, 10 June 2020, both dates inclusive, during which period no transfer of share will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell

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## LETTER FROM THE BOARD

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Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 4 June 2020. In the event that the Annual General Meeting is adjourned to a date later than 10 June 2020 due to the bad weather or other reasons, the book closure period and record date for determination of entitlement to attend and vote at the Annual General Meeting will remain the same as aforementioned.

### 9. RESPONSIBILITY STATEMENT

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

### 10. RECOMMENDATION

The Directors consider that the proposed re-election of the retiring Directors, the proposed re-designation of Ms. Ni as a non-executive Director, grant of the Share Repurchase Mandate, the Issuance Mandate, the RSU Specific Mandate and the extension of the Issuance Mandate, as well as the re-appointment of the Company's auditor are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

By Order of the Board

**COGOBUY GROUP**

**KANG Jingwei, Jeffrey**

*Chairman, Executive Director and Chief Executive Officer*



The following are details of the Directors who will retire at the Annual General meeting according to the Articles of Association, and being eligible, offer themselves for re-election at the Annual General Meeting.

**(1) MR. YE XIN**

Mr. YE Xin (“**Mr Ye**”), aged 56, was appointed as an independent non-executive Director of the Company since 18 July 2014. He is also the chairman of the nomination committee and a member of the audit and remuneration committees of the Company. Mr. Ye received his bachelor of engineering degree (計算機科學與技術系) from Tsinghua University, China in June 1986, and a master of science degree in Computer Science from Marquette University in Wisconsin, United States in May 1988. From 2003 to 2006, Mr. Ye was the Chief Technology Officer of Linktone, a top wireless entertainment service provider in China. Since 2006, Mr. Ye was the chief executive officer of CASEE Mobile Ads (架勢無線), China’s leading mobile advertising network for Android/iPhone applications and mobile content.

Mr. Ye has been appointed as an independent non-executive Director of the Company for a period of 3 years commencing from 2 June 2017 and his appointment will continue thereafter unless and until terminated by either party giving 3 months’ written notice in accordance with his letter of appointment and his appointment is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles of Association. Pursuant to the appointment letter, Mr. Ye is entitled to a fixed salary of HK\$300,000 per annum payable in 4 equal quarterly instalments. Mr. Ye’s remuneration is determined in accordance with the policy reviewed by the Remuneration Committee, based on appropriate criteria including but not limited to meritocracy and common market practice for comparable board compensations of other listed issuers.

Save as disclosed above, as at the Latest Practicable Date, Mr. Ye (i) does not hold any other position with the Company and other members of the Company and its subsidiaries; (ii) is not related to any Directors, senior management, substantial or controlling shareholders of the Company; (iii) has not held other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or other major appointments and professional qualifications; and (iv) does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed, there are no other matters that need to be brought to the attention of the Shareholders in connection with Mr. Ye’s re-election and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

**(2) DR. MA QIYUAN**

Dr. MA Qiyuan (“**Dr. Ma**”), PhD, aged 63, was appointed as an independent non-executive Director of the Company since 2 June 2017. He is also the chairman of the remuneration committee and a member of the audit and nomination committees of the Company. Dr. Ma is the chairman and

chief executive director of Time Medical System Corp., a leading technology innovator in medical imaging and service industry he founded in 2006. Dr. Ma has over 25 years of experience in R&D management in the US. Dr. Ma served as a professor at Columbia University from 1994 to 2000, Associate Professor of Harvard Medical School from 2000 to 2005 and Deputy Director of Magnetic Resonance Engineering Center of the University of Hong Kong from 1998 to 2004. Dr. Ma holds 25 patents and has published more than 200 papers. Dr. Ma is engaged in the field of microelectronic devices, superconducting technology, RF devices, biomedical electronics, and medical imaging.

Dr. Ma co-founded Semiconductor Manufacturing International Corporation (NYSE: SMI; Stock Exchange stock code: 981) (China's first major semiconductor company listed on NYSE and the Stock Exchange) in 2000 and remained an advisor since. Dr. Ma has been promoting the development of China's electronic industry, and has served as advisor in microelectronics to the Ministry of Information Industry of the Chinese government, and in hi-tech industry to the Beijing, Shanghai and Guangzhou governments.

Dr. Ma received his PhD in microelectronics from Columbia University in 1990, and SEP degree from Stanford Business School in 2003. Dr. Ma has been a board member of CIBR (Coalition for Imaging and Bioengineering Research) in the US since 2010.

Dr. Ma has been appointed as an independent non-executive Director of the Company for a period of 3 years commencing from 2 June 2017 and his appointment will continue thereafter unless and until terminated by either party giving 3 months' written notice in accordance with his letter of appointment and his appointment is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles of Association. Pursuant to the appointment letter, Dr. Ma is entitled to a fixed salary of HK\$300,000 per annum payable in 4 equal quarterly instalments. Dr. Ma's remuneration is determined in accordance with the policy reviewed by the Remuneration Committee, based on appropriate criteria including but not limited to meritocracy and common market practice for comparable board compensations of other listed issuers.

Save as disclosed above, as at the Latest Practicable Date, Dr. Ma (i) does not hold any other position with the Company and other members of the Company and its subsidiaries; (ii) is not related to any Directors, senior management, substantial or controlling shareholders of the Company; (iii) has not held other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or other major appointments and professional qualifications; and (iv) does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed, there are no other matters that need to be brought to the attention of the Shareholders in connection with Dr. Ma's re-election and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,427,332,732 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged between the Latest Practicable Date and the date of the Annual General Meeting, i.e. being 1,427,332,732 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, up to a total of 142,733,273 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting during the period up to (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 or any applicable laws to be held; or (iii) the date of revocation or variation of the Share Repurchase Mandate by ordinary resolution of the Shareholders in a general meeting, whichever occurs first.

### **2. REASONS FOR SHARE REPURCHASE**

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

### **3. FUNDING OF REPURCHASE**

The Company may only apply funds legally available for share repurchase in accordance with its Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

It is presently proposed that any repurchase of Shares would be made out of capital paid up on the repurchased Shares, funds of the Company which would otherwise be available for dividend or distribution or out of proceeds of a fresh issue of Shares made for the purpose and, in the case of any premium payable on such repurchase, from funds of the Company otherwise available for dividend or distribution or from the Company's share premium account.

#### 4. IMPACT OF REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Share Repurchase Mandate was to be carried out in full at any time 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 requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange in each of the twelve months immediately prior to the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2019</b>		
April	3.34	2.70
May	2.88	2.26
June	2.35	2.00
July	2.27	2.02
August	2.06	1.42
September	2.00	1.36
October	1.45	1.28
November	1.53	1.23
December	1.52	1.23
<b>2020</b>		
January	1.39	1.04
February	1.19	1.01
March	1.06	0.60
April ( <i>up to the Latest Practicable Date</i> )	0.95	0.78

**6. GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

**7. TAKEOVERS CODE**

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

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the substantial Shareholders who were interested in 5% or more of the issued share capital of the Company were as follows:

<b>Name of Shareholder</b>	<b>Current percentage interest in the issued share capital of the Company</b>	<b>Percentage interest in the issued share capital of the Company in the event the Repurchase Mandate is exercised in full</b>	<b>Number of shares beneficially held</b>
Envision Global	45.55%	50.61%	650,200,000
Mr. Kang Jingwei, Jeffrey ("Mr. Kang") <sup>(2)</sup>	45.68%	50.76%	652,000,000
Total Dynamic Holdings Limited	12.81%	14.24%	182,888,000
Ms. Yao <sup>(3)</sup>	12.81%	14.24%	182,888,000

*Notes:*

- (1) All the Shares are held in long position (as defined under Part XV of the SFO).
- (2) Mr. Kang owns Envision Global as to 100%, which in turn owns 650,200,000 Shares. Therefore, Mr. Kang is deemed to be interested in the 650,200,000 Shares held by Envision Global.
- (3) Ms. Yao owns Total Dynamic Holdings Limited as to 100%, which in turn owns 182,888,000 Shares. Therefore, Ms. Yao is deemed to be interested in these Shares held by Total Dynamic Holdings Limited.
- (4) The percentage in this table is for illustrative purpose only, subject to rounding errors and is calculated based on the number of Shares in issue as at the Latest Practicable Date.

In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the interests of the substantial shareholders in the Company will be increased to approximately the percentages as set out in the table above. The Directors believe that such increases in shareholding may give rise to an obligation on Envision Global and Mr. Kang to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Share Repurchase Mandate (if granted to the Directors at the Annual General Meeting) to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

#### 8. REPURCHASE OF SHARES MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company has purchased a total of 6,480,000 Shares on the Stock Exchange and the details are set out below:

Date of purchase	No. of Shares repurchased	Purchase price per Share	
		Highest HK\$	Lowest HK\$
1 April 2020	1,000,000	0.91	0.81
2 April 2020	1,065,000	0.92	0.88
3 April 2020	650,000	0.91	0.87
6 April 2020	589,000	0.94	0.88
7 April 2020	1,481,000	0.88	0.85
8 April 2020	453,000	0.85	0.84
9 April 2020	650,000	0.90	0.85
22 April 2020	<u>592,000</u>	0.81	0.80
	Total: <u>6,480,000</u>		

As at the Latest Practicable Date, all the above Shares have not been cancelled.

Save as disclosed above, the Company has not purchased, sold or redeemed any of the Shares (whether on the Stock Exchange or otherwise) in the previous six months preceding the Latest Practicable Date.

**THE RSU SCHEME AND THE RSU SPECIFIC MANDATE**

Subject to the passing of the resolution as contained in item 8 of the notice convening the Annual General Meeting, the RSU Specific Mandate will be granted to the Directors to issue and allot not more than 3% of the total number of Shares in issue on the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting as set out on pages 25 to 30 of this circular (i.e. a total of 42,819,982 Shares on the basis that the issued share capital of the Company remains unchanged between the Latest Practicable Date and the date of the Annual General Meeting), and to procure the transfer of, and otherwise deal with, the Shares granted under the Scheme. The RSU Specific Mandate will remain in effect during the period from the passing of the ordinary resolution granting the RSU Specific Mandate 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 or any applicable laws to be held; and
- (iii) the date of revocation or variation of RSU Specific Mandate by an ordinary resolution of the Shareholders in a general meeting.

The following is a summary of the principal terms of the RSU Scheme:

**(a) Purpose of the RSU Scheme**

The purpose of the RSU Scheme is to reward the fidelity of the directors, executive officers, senior managers and employees of the Company and of its subsidiaries including Shenzhen Cogobuy Information Technologies Limited (collectively, “**Scheme Companies**” and each, a “**Scheme Company**”) and align their interests with those of the Shareholders.

The RSU Scheme became effective upon the Listing Date and was amended and restated on 21 December 2014. The grant of the RSUs under the RSU Scheme is recognition of the contribution of the Scheme Companies’ directors, executive officers, senior managers and employees to the historical achievements of the Company.

The Company has the intention to continue exploring ways to incentivize, retain and reward Scheme Companies’ directors, executive officers, senior management and employees and may implement other RSU schemes or other share-based remuneration schemes in the future.



**(b) Restricted Share Units**

Each RSU is a right to receive a Share at the end of the vesting period, subject to vesting conditions provided for under the RSU Scheme. For each RSU, the Eligible Participants (as defined below) may receive, subject to vesting, one Share. RSUs cannot be sold, pledged or transferred by the Eligible Participants by any means, except by inheritance.

**(c) Grant of RSUs**

The RSU Scheme provides for the grant of RSUs by the Company to beneficiaries (the “**Beneficiaries**”) selected at the discretion of the Board from among the directors, executive officers, senior management and employees of the Scheme Companies (the “**Eligible Participants**”).

The Beneficiaries will be informed of the grants made under the RSU Scheme by a letter specifying the number of granted RSUs and the applicable terms and conditions relating to the grant.

Shares will not be released under the RSUs until the applicable vesting conditions have been satisfied.

**(d) Vesting of RSUs**

Vesting of RSUs is subject to continued employment of the Beneficiaries with a Scheme Company over the vesting period.

In the event of termination of the employment or corporate officer’s mandate of a Beneficiary with a Scheme Company, his or her RSUs will be forfeited: (i) in the case of employment contracts, such forfeiture shall take effect on the date of receipt of the dismissal letter or the submission of the resignation letter (as the case may be), notwithstanding any period of notice (regardless of whether it has been given or satisfied), or on the date of the termination of the employment agreement for other circumstances; and (ii) in the case of corporate officer’s mandate, such forfeiture shall take effect on the date of the expiration of the term of office, or on the date of the dismissal or notification of such dismissal.

Exceptions apply in the case of the Beneficiary’s death and disability. In such events, RSUs are not forfeited and Shares are released to the Beneficiaries or his or her heirs upon their request in accordance with the rules of the RSU Scheme.

In the case of retirement or early retirement of the Beneficiary, RSUs are not forfeited. However, the Shares are not released until they vest on the Beneficiary.

If a Beneficiary’s employer ceases to be a Scheme Company during the vesting period, the continued employment condition will be deemed not to have been satisfied.

Upon vesting, the Company instructs the Scheme Trustees to release Scheme Shares to the Beneficiary on its behalf. No consideration is paid or payable by the Beneficiaries for the Shares to be issued under the RSU Scheme.

**(e) Duration**

The RSU Scheme shall be effective from the date it took effect (i.e. 1 March 2014) and shall continue in full force and effect for a term of 10 years unless terminated earlier by the Board.

**(f) Maximum Number of Shares to be Granted**

The aggregate number of Shares underlying all grants made pursuant to the RSU Scheme (excluding Shares which have been forfeited in accordance with the RSU Scheme) will not exceed 10% of the issued capital of the Company (i.e. 137,400,000 Shares) on 18 July 2014, being the date on which the Shares were listed on the Main Board of the Stock Exchange. As at the Latest Practicable Date, excluding 16,218,824 Shares which have been forfeited in accordance with the RSU Scheme, the Company has granted 63,188,676 Shares, representing approximately 4.6% of the issued capital of the Company on 18 July 2014, under the RSU Scheme.

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## NOTICE OF ANNUAL GENERAL MEETING

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### COGOBUY GROUP

### 科通芯城集團

*(a company incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock Code: 0400)**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “AGM”) of Cogobuy Group (the “Company”) will be held at IngDan Innovation Center, 1st Floor Microsoft Comtech Tower, No. 55 Gaoxin South 9th Road, Nanshan District, Shenzhen, China on Wednesday, 10 June 2020 at 2:30 p.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors and auditor of the Company for the year ended 31 December 2019.
2. (a) To re-elect Mr. Ye Xin as an independent non-executive director of the Company.  
(b) To re-elect Dr. Ma Qiyuan as an independent non-executive director of the Company.  
(c) To re-designate Ms. Ni Hong, Hope as a non-executive director of the Company.
3. To authorize the board of directors of the Company to fix the respective remuneration of the directors of the Company.
4. To re-appoint SHINEWING (HK) CPA Limited as the Company’s auditor to hold office until the conclusion of the next annual general meeting of the Company and to authorize the board of directors of the Company to fix their remuneration.
5. To consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined in paragraph (d) below) all the powers of the Company to repurchase its own shares subject to and in accordance with all applicable laws, rules and regulations;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the total number of shares of the Company which may be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same;
- (c) the approval in paragraph (a) of this resolution shall be in addition to any other authorization given to the directors of the Company and shall authorize the directors of the Company on behalf of the Company during the Relevant Period (as defined in paragraph (d) below) to procure the Company to purchase its shares at a price determined by the directors of the Company; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
  - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”
6. To consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined in paragraph (d) below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and/or other right (including but not limited to warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall be in addition to any other authorization given to the directors of the Company and shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period (as defined in paragraph (d) below) which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
- (i) a Rights Issue (as defined in paragraph (d) below);
  - (ii) the exercise of subscription rights under a share option scheme of the Company;
  - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; and
  - (iv) the vesting of share awards granted or to be granted pursuant to the share award scheme of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the 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 date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“**Rights Issue**” means an offer of shares in the Company, open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

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## NOTICE OF ANNUAL GENERAL MEETING

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7. As special business, to consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (such total number to be subject to adjustment in the case of any consolidation or subdivision of any of the shares of the Company into a smaller or larger number of shares of the Company respectively after the passing of this resolution).”

8. As special business, to consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:

“**THAT:**

- (a) a specific mandate be and is hereby granted to the directors of the Company during the Relevant Period (as defined in paragraph (b) below) to exercise all the powers of the Company to grant restricted share units in connection with the restricted share unit scheme of the Company and to issue, allot, procure the transfer of, and otherwise deal with, not more than 3% of the total number of shares in the Company in issue as at the date of passing this resolution;
- (b) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

By Order of the Board

**COGOBUY GROUP**

**KANG Jingwei, Jeffrey**

*Chairman, Executive Director and Chief Executive Officer*

Hong Kong, 29 April 2020

*Notes:*

1. All resolutions at the AGM will be taken by poll (except where the chairman decides to allow a resolution relating purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Company’s articles of association. 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 of the Company who is the holder of two or more shares may appoint more than one proxy. A proxy need not be a shareholder of the Company.

If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder of the Company present in person or by proxy shall be entitled to one vote for each share held by him.

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 2:30 p.m. on Monday, 8 June 2020 or not less than 48 hours before the time appointed for holding any adjourned meeting (as the case may be). Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the AGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For the purpose of determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed during which period no transfer of shares will be registered. Details of such closure are set out below:

Latest time to lodge transfer documents for registration	4:30 p.m. on Thursday, 4 June 2020
Closure of register of members	Friday, 5 June 2020 to Wednesday, 10 June 2020, both dates inclusive
Record date	Wednesday, 10 June 2020

In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than the aforementioned latest time.

In the event that the AGM is adjourned to a date later than 10 June 2020 because of bad weather or other reasons, the book closure period and record date for determination of entitlement to attend and vote at the AGM will remain the same as stated above.

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## NOTICE OF ANNUAL GENERAL MEETING

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5. Where there are joint holders of any share of the Company, any one of such persons may vote at the AGM either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the AGM personally or by proxy, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. A circular containing further details concerning items 2 to 8 set out in the above notice will be sent to all shareholders of the Company together with this notice.
7. References to time and dates in this notice are to Hong Kong time and dates.



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## PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

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The health of our shareholders, staff and stakeholders is of paramount importance to us. In view of the ongoing Novel Coronavirus Disease (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius will be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Each attendee is required to register and declare health status before entering the meeting venue. Any person who does not comply with the precautionary measures or is subject to any quarantine prescribed by the Government of the People's Republic of China will be denied entry into the meeting venue or be required to leave the meeting venue.
- (iii) The management office of the meeting venue requires each attendee to sanitize his/her hands before entering the venue, to wear a surgical face mask inside the meeting venue and to maintain a safe distance between seats.
- (iv) Visitor parking is not available, no refreshment will be served and there will be no corporate gift.

In addition, the Company would like to remind all Shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and returning the proxy form attached to this document.

If any Shareholder chooses not to attend the meeting in person but has any questions about any resolution(s) or about the Company, or has any matters for communication with the Board of Directors, he/she is welcome to send such questions or matters in writing to the Company's Hong Kong office at Block A, 5th Floor, Goodman Kwai Chung Logistics Centre, 585-609 Castle Peak Road, Kwai Chung, New Territories, Hong Kong or to our email at [ir@cogobuy.com](mailto:ir@cogobuy.com).

If any Shareholder has any questions relating to the meeting, please contact Computershare Hong Kong Investor Services Limited, the Company's share registrar in Hong Kong, as follows:

Computershare Hong Kong Investor Services Limited  
17M Floor, Hopewell Centre  
183 Queen's Road East, Wan Chai, Hong Kong  
Email: [hkinfo@computershare.com.hk](mailto:hkinfo@computershare.com.hk)  
Tel: 2862 8555  
Fax: 2865 0990