
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your shares in NANFANG COMMUNICATION HOLDINGS LIMITED (the “Company”), you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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



Nanfang Communication Holdings Limited

南方通信控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1617)

- (1) PROPOSED PAYMENT OF FINAL DIVIDENDS**
 - (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**
 - (3) RE-ELECTION OF RETIRING DIRECTORS AND**
 - (4) NOTICE OF ANNUAL GENERAL MEETING**
-

A notice convening the AGM (as defined herein) of Nanfang Communication Holdings Limited to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, No. 238 Jaffe Road, Wan Chai, Hong Kong at 3:00 p.m. on 19 June 2019 (Wednesday) is set out on pages 14 to 18 of this circular.

A form of proxy for the AGM is enclosed with this circular. Whether or not you desire to attend and vote at the AGM in person, you are requested to complete and return the enclosed form of proxy to the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours (i.e. 3:00 p.m. on 17 June 2019 (Monday)) before the time appointed for the holding of the AGM or any adjournment thereof.

The completion and delivery of a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

29 April 2019

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Proposed payment of Final Dividends	4
3. General mandates to issue and repurchase Shares	4
4. Re-election of retiring Directors	5
5. AGM	6
6. Voting by poll	7
7. Responsibility statement	7
8. Closure of book for register of members and dividend payment	7
9. Recommendation	8
10. General information	8
Appendix I – Explanatory statement of the Repurchase Mandate	9
Appendix II – Details of retiring Directors	12
Notice of Annual General Meeting	14

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, No. 238 Jaffe Road, Wan Chai, Hong Kong at 3:00 p.m. on 19 June 2019 (Wednesday)
“Articles of Association”	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“Associates”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities listed thereon
“Companies Law”	the Companies Law, Cap. 22 (Law of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Nanfang Communication Holdings Limited 南方通信控股有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Final Dividend(s)”	the final dividend of RMB0.0625 per Share recommended by the Board
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares not exceeding 20% of the total number of issued Shares as at the date of passing the relevant resolution granting such mandate
“Latest Practicable Date”	23 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China, excluding (except where the context requires) Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing the relevant resolution granting such mandate
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers and Share Buy-backs
“%”	percent

LETTER FROM THE BOARD



Nanfang Communication Holdings Limited

南方通信控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1617)

Executive Directors

Mr. Shi Ming (*Chief executive officer*)

Ms. Yu Rumin

Ms. Yu Ruping

Non-executive Director

Mr. Yu Jinlai (*Chairman*)

Independent non-executive Directors

Mr. Wu Wing Kuen

Mr. Lam Chi Keung

Mr. Chan Kai Wing

Registered office

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place of
business in Hong Kong*

Unit 903, 9/F, Capital Centre

151 Gloucester Road

Wan Chai

Hong Kong

29 April 2019

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED PAYMENT OF FINAL DIVIDENDS**
- (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**
- (3) RE-ELECTION OF RETIRING DIRECTORS AND**
- (4) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The primary purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the AGM, which include ordinary resolutions relating to (a) the payment of Final Dividends; (b) the grant to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (c) the re-election of retiring Directors.

LETTER FROM THE BOARD

2. PROPOSED PAYMENT OF FINAL DIVIDENDS

As announced by the Company in its announcement dated 26 March 2019 regarding the final results of the Group for the year ended 31 December 2018, the Board recommended a final dividend of RMB0.0625 per Share, subject to the approval of Shareholders at the AGM by way of ordinary resolution.

The Hong Kong dollar: Renminbi exchange rate to be adopted to determine the Hong Kong dollars equivalent of the Final Dividends will be announced after the shareholders' approval for the final dividend at the upcoming AGM.

The Final Dividends are payable on 31 July 2019 (Wednesday) to the Shareholders whose names appear on the register of members of the Company at close of business on 28 June 2019 (Friday), being the record date for determination of entitlement to the Final Dividends. In order to qualify for the Final Dividends, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 25 June 2019 (Tuesday).

3. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the AGM, ordinary resolutions will be proposed:

- (i) to grant the Issue Mandate to the Directors to allot and issue and deal with new Shares up to a maximum of 20% of the total number of issued Shares as at the date of passing of such resolutions;
- (ii) to grant the Repurchase Mandate to the Directors to enable them to repurchase Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing of such resolutions; and
- (iii) subject to the passing of the aforesaid ordinary resolutions approving the Issue Mandate and the Repurchase Mandate, to grant the Extension Mandate to the Directors to extend the Issue Mandate by the addition to the total number of the Shares which may be allotted or agreed conditionally or unconditionally to be allotted and issued Shares in an amount not exceeding the total number of the Shares purchased pursuant to the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, the Companies Law or the applicable laws of Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

LETTER FROM THE BOARD

An explanatory statement containing information relating to the Repurchase Mandate and as required pursuant to the Listing Rules is set out in Appendix I to this circular. This explanatory statement contains information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate at the AGM.

As at the Latest Practicable Date, the total number of issued Shares was 1,120,000,000 Shares. Assuming that there is no change in the total number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the Repurchase Mandate and the Issue Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate on the date of passing the resolution approving the Repurchase Mandate will be 112,000,000 Shares and the maximum number of Shares which may be issued pursuant to the Issue Mandate on the date of passing the resolution approving the Issue Mandate will be 224,000,000 Shares.

4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84 of the Articles of Association, Ms. Yu Rumin, Ms. Yu Ruping, and Mr. Lam Chi Keung shall retire as Directors by rotation at the AGM and, being eligible, offer themselves for re-election at the AGM.

Biographical details of each of the retiring Directors who offers himself/herself for re-election at the AGM are set out in Appendix II to this circular.

In accordance with the nomination policy of the Company and the objective criteria (including without limitation, gender, age, ethnicity, cultural and educational background, professional experiences and knowledge) with due regard for the benefits of diversity, as set out under the board diversity policy of the Company, the nomination committee (the “**Nomination Committee**”) has reviewed the re-election of the Directors through:

- (a) evaluating the performance and contribution of the retiring Directors during the last financial year of the Company and the period thereafter up to the date of evaluation; and
- (b) assessing the independence of the independent non-executive Directors, being Mr. Wu Wing Kuen, Mr. Lam Chi Keung and Mr. Chan Kai Wing, and considered whether they remained independent and suitable to continue to act in such roles.

LETTER FROM THE BOARD

After due evaluation and assessment, the Nomination Committee is of the opinion that:

- (a) the performance of the retiring Directors was satisfactory and contributed effectively to the operation of the Board; and
- (b) based on the information available to the Nomination Committee and the annual written independence confirmation received from each of the independent non-executive Directors, the Nomination Committee was satisfied that Mr. Wu Wing Kuen, Mr. Lam Chi Keung and Mr. Chan Kai Wing:
 - i. fulfill the requirements of an independent non-executive Director as stipulated under Rule 3.13 of the Listing Rules; and
 - ii. are the persons of integrity and independent in character and judgement.

Accordingly, the Nomination Committee recommended to the Board, and the Board has considered the re-election of Ms. Yu Rumin and Ms. Yu Ruping as the executive Directors and Mr. Lam Chi Keung as the independent non-executive Director, is in the best interests of the Company and the Shareholders as a whole and has resolved to propose to re-elect each of the retiring Directors at the AGM.

Save as disclosed in this circular, there is no other matters in relation to the proposed re-election of Directors that need to be brought to the attention of the Shareholders.

5. AGM

The notice of AGM is set out on pages 14 to 18 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, (i) the payment of Final Dividends; (ii) the grant to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (iii) the re-election of the retiring Directors.

A form of proxy for the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk. Whether or not you desire to attend and vote at the AGM in person, you are requested to complete and return the enclosed form of proxy to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours (i.e. 3:00 p.m. on 17 June 2019 (Monday)) before the time appointed for the holding of the AGM or any adjournment thereof.

LETTER FROM THE BOARD

The completion and delivery of a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

6. VOTING BY POLL

All the resolutions set out in the notice of AGM would be voted by way of poll in accordance with the Listing Rules and the Articles of Association. The chairman of the Board will explain the detailed procedures for conducting a poll at the commencement of the AGM.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy who is entitled to more than one vote need not use all his/her/its votes or cast all his/her/its votes in the same way.

After the conclusion of the AGM, the poll results will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.jsnfgroup.com.

7. 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: (i) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein misleading.

8. CLOSURE OF BOOK FOR REGISTER OF MEMBERS AND DIVIDEND PAYMENT

For the purpose of determining shareholders of the Company who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from 14 June 2019 (Friday) to 19 June 2019 (Wednesday), both days inclusive. The latest time to lodge transfer documents for registration will be at 4:30 p.m. on 13 June 2019 (Thursday).

For determining the entitlement to the final dividend (if approved at the forthcoming AGM), the register of members of the Company will be closed from 26 June 2019 (Wednesday) to 28 June 2019 (Friday), both days inclusive. The record date will be 28 June 2019 (Friday). The latest time to lodge transfer documents for registration will be at 4:30 p.m. on 25 June 2019 (Tuesday). During the above closure periods, no transfer of shares will be registered. The proposed final dividend will be paid on 31 July 2019 (Wednesday) subject to the approval at the AGM.

LETTER FROM THE BOARD

In order to qualify for attending and voting at the AGM, and qualifying for the Final Dividends (if approved at the AGM), all transfer documents accompanied by the relevant share certificates should be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than the dates and times stated above.

9. RECOMMENDATION

The Directors are of the opinion that the proposed resolutions referred in this circular and the notice of AGM are in the best interests of the Company and the Shareholders as a whole. The Directors recommend the Shareholders to vote in favour of all the resolutions proposed at the AGM.

10. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
For and on behalf of the Board of
Nanfang Communication Holdings Limited
Yu Jinlai
Chairman

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

This appendix contains the particulars required by the Listing Rules to be included in an explanatory statement to enable Shareholders to make an informed decision on whether to vote for or against the resolution to be proposed at the AGM in relation to the Repurchase Mandate.

(1) SHAREHOLDERS' APPROVAL

The Listing Rules provide that all repurchases of securities by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval in relation to specific transactions.

(2) EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,120,000,000 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 112,000,000 Shares, being 10% of the total number of issued Shares as at the date of passing the ordinary resolution.

(3) SOURCE OF FUNDS

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable Companies Law.

To the extent that repurchase is funded entirely from the available cash flow or working capital facilities of the Company, there might be material adverse impact on the working capital or gearing position of the Company (as compared with the gearing position of the Company disclosed in the audited consolidated financial statement of the Company as at 31 December 2018) in the event that repurchases of Shares under the Repurchase Mandate were to be carried out in full during the period of the Repurchase Mandate.

(4) REASONS FOR REPURCHASE

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

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the gearing position of the Company disclosed in the audited consolidated financial statement of the Company as at 31 December 2018, being the date to which the latest published audited financial statements of the Company have been made up) in the event that the Repurchase Mandate is exercised in full. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

(5) SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months up to the Latest Practicable Date were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2018		
April	4.65	4.13
May	4.55	4.26
June	5.82	4.15
July	5.50	4.32
August	4.87	4.33
September	5.50	4.25
October	5.55	4.50
November	5.60	4.45
December	5.55	4.64
2019		
January	5.57	4.89
February	5.34	4.92
March	5.20	4.45
April (up to the Latest Practicable Date)	4.94	4.20

(6) DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

No core connected persons (as defined under the Listing Rules) of the Company has notified the Company that he/she has any present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the proposed Repurchase Mandate is approved by the Shareholders.

(7) UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Articles of Association, the Listing Rules and the applicable Companies Law.

(8) TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the public record, and to the best of the knowledge and belief of the Directors, Pacific Mind Development Limited ("**Pacific Mind**"), a controlling shareholder of the Company, owned 840,000,000 Shares, representing 75% of the total number of the Shares. The issued share capital of Pacific Mind is directly owned by UBS Nominee Limited, a company incorporated in the Island of Jersey, being the nominee, holding the entire issued share capital of Pacific Mind for UBS TC (Jersey) Limited (the "**Trustee**"). The Trustee is a trustee of a discretionary trust ("**Family Trust**") set up by Ms. Yu Rumin for which it acts as the trustee and Ms. Yu Rumin, her family members and any persons being approved are the beneficiaries. In the event that the Directors exercise in full the power to buy back Shares in accordance with the Repurchase Mandate, the shareholding of Pacific Mind would be increased to 83.3% of the total number of the issued Shares of the Company. In the opinions of the Directors, such increase would not give rise to an obligation on the part of Pacific Mind or parties acting in concert (as defined in the Takeovers Code) to make a mandatory offer under Rule 26 of the Takeovers Code, but the Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

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

(9) SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any Shares, whether on the Stock Exchange or otherwise, in the six months preceding the Latest Practicable Date.

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

Ms. Yu Rumin (於茹敏女士), aged 42, was appointed as our Director on 10 May 2016 and designated as our executive Director on 22 June 2016. Ms. Yu joined our Group as a manager in the enameled wire business development department of Jiangsu Nanfang Communication Technology Company Limited* 江蘇南方通信科技有限公司 (“**Nanfang Communication**”) in May 2001 and was appointed as a vice general manager of Nanfang Communication in October 2011. Ms. Yu is primarily responsible for overseeing business development, financial control and human resources management. Ms. Yu is also a director of each of Century Planet Limited (“**Century Planet**”), Nanfang Communication Group Limited (“**Nanfang Hong Kong**”), Jiangsu Yingke Communication Technology Company Limited* 江蘇盈科通信科技有限公司 (“**Yingke**”) and Jiangsu Nanfang Optic Electric Technology Company Limited* 江蘇南方光纖科技有限公司 (“**Nanfang Optic**”).

Ms. Yu graduated from Jiangsu Teachers University of Technology (江蘇技術師範學院) (currently known as Jiangsu University of Technology (江蘇理工學院)) in July 2004 with a major of financial accounting education. She is a qualified senior economist (高級經濟師) and a certified tax planner (註冊納稅籌劃師). Ms. Yu has over 15 years of experience in communication optical cable industry. Prior to joining our Group, Ms. Yu worked for Luoyang Town’s People’s Government of Wujin District (武進區洛陽鎮人民政府) between 1996 and 2001.

Ms. Yu is the spouse of Mr. Shi Ming, an executive Director and the chief executive officer of the Company, sister of Ms. Yu Ruping, an executive Director, and daughter of Mr. Yu Jinlai, non-executive Director and chairman of the Board.

Ms. Yu is a controlling shareholder of the Company. As founder of the Family Trust, she is taken to be interested in the 840,000,000 Shares held by Pacific Mind by virtue of the SFO. Ms. Yu has entered into a service contract with the Company for an initial term of three years commencing from 12 December 2016 but will be subject to retirement by rotation and eligible for re-election pursuant to the Articles of Association. Ms. Yu will be entitled to a remuneration of RMB600,000 per annum, which was determined by the Board with reference to her duties and responsibilities with the Company, the Company’s performance and current market situation.

Ms. Yu Ruping (於茹萍女士), (“**Ms. Yu RP**”) aged 43, was appointed as our Director on 10 May 2016 and was designated as our executive Director on 22 June 2016. Ms. Yu RP joined our Group as a finance officer of Nanfang Communication in September 2006, and has been mainly responsible for supervising the accounting and internal audit functions of our Group. Ms. Yu RP is a director of each of Century Planet, Nanfang Hong Kong and MacroSmart Investment Limited* 敏博投資有限公司 (“**MacroSmart**”). She is also a supervisor of Nanfang Optic.

Ms. Yu RP completed a three-year study programme in pharmacy at the Professional School of Health Work of Wu Jin of Changzhou (常州市武進衛生職工中等專業學校) in December 2003. Ms. Yu RP has over 10 years of experience in communication optical cable industry. She is a certified tax planner (註冊納稅籌劃師).

* For identification purpose only

Ms. Yu RP is the sister of Ms. Yu Rumin, an executive Director, daughter of Mr. Yu Jinlai, non-executive Director and chairman of the Board and sister-in-law of Mr. Shi Ming, an executive Director and the chief executive officer of the Company. Ms. Yu RP is deemed to be interested in the 840,000,000 Shares held by Pacific Mind under the SFO since she is a beneficiary of the Family Trust. Ms. Yu RP has entered into a service contract with the Company for an initial term of three years commencing from 12 December 2016 but will be subject to retirement by rotation and eligible for re-election pursuant to the Articles of Association. Ms. Yu RP will be entitled to a remuneration of RMB240,000 per annum, which was determined by the Board with reference to her duties and responsibilities with the Company, the Company's performance and current market situation.

Mr. Lam Chi Keung (林芝強先生), aged 48, was appointed as our independent non-executive Director on 24 November 2016. Mr. Lam has over 22 years of professional experience in accounting and financial management and held various finance/accounting-related positions in international accounting firms and companies. Mr. Lam obtained a bachelor degree of science in accounting from Brigham Young University-Hawaii in December 1996. He also obtained a master degree of science in e-commerce from the Chinese University of Hong Kong in December 2002. Mr. Lam is a fellow of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants.

Mr. Lam is currently an independent non-executive director of Universe Entertainment and Culture Group Company Limited (formerly known as Universe International Financial Holdings Limited) (stock code 1046).

Mr. Lam has entered into an appointment letter with the Company for an initial term of three years commencing from 12 December 2016 but will be subject to retirement by rotation and eligible for re-election pursuant to the Articles of Association. Mr. Lam will be entitled to a remuneration of HK\$192,000 per annum, which was determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and current market situation.

Save as disclosed in this circular, each of the above retiring Directors confirmed that he (i) did not hold any directorships in the last three years prior to the Latest Practicable Date in public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other positions with us or other members of our Group; and (iii) does not have any relationship with other Directors, senior management or Controlling Shareholders, if any, of our Company or any interest in our Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no other matter with respect to the re-election of the above retiring Directors that needs to be brought to the attention of our Shareholders and there was no information relating to the above retiring Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as at the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



Nanfang Communication Holdings Limited

南方通信控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1617)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (“AGM”) of Nanfang Communication Holdings Limited (the “Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, No. 238 Jaffe Road, Wan Chai, Hong Kong at 3:00 p.m. on 19 June 2019 (Wednesday) for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2018.
2. To re-elect the retiring Directors of the Company, each as a separate resolution.
3. To authorise the board of Directors of the Company to fix their remuneration.
4. To re-appoint Deloitte Touche Tohmatsu as auditor of the Company and to authorise the board of Directors to fix the remuneration of the auditor.
5. To consider and, if thought fit, pass with or without alterations, the following resolution as an ordinary resolution:

IT IS RESOLVED THAT

- (a) a final dividend of RMB0.0625 per ordinary share of the Company for the year ended 31 December 2018 (the “Final Dividends”) be and is hereby declared to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on 28 June 2019 (Friday) being the record date for determination of entitlement to the Final Dividends; and
- (b) any Director of the Company be and is hereby authorised to take such action, do such things and execute such further documents as the director may at his/her absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the payment of the Final Dividends.

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without alterations, the following resolution as an ordinary resolution:

IT IS RESOLVED THAT

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company or securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for shares of the Company or such convertible securities, and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under any option scheme or similar arrangement for the time being adopted by the Company and/or any of its subsidiaries for the grant or issue to eligible participants thereunder or rights to acquire shares in the capital of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on the Shares in accordance with the articles of association of the Company in force from time to time, shall not exceed 20% of the total number of issued Shares as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meetings.

“**Rights Issue**” means the allotment, issue or grant of shares or securities convertible into shares of the Company pursuant to an offer of shares of the Company open for a period fixed by the directors of the Company to the holders of shares or of such securities or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or of such securities or any class thereof as at that date (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 recognised regulatory body or any stock exchange applicable to the Company).

7. To consider and, if thought fit, pass with or without alterations, the following resolution as an ordinary resolution:

IT IS RESOLVED THAT

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the total number of Shares to be purchased pursuant to the approval in paragraph (a) above of this resolution during the Relevant Period shall not exceed 10% of the total number of issued Shares on the date of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier 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; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meetings.

8. To consider and, if thought fit, pass with or without alterations, the following resolution as an ordinary resolution:

IT IS RESOLVED THAT

Subject to the passing of the resolutions Nos. (6) and (7) above being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with shares of the Company and to make or grant offers, agreements and option which would or might require the exercise of such powers pursuant to resolution No. (6) be and is hereby extended by the total number of Shares repurchased by the Company since the granting of a general mandate to the directors of the Company to exercise the power of the Company to purchase such shares pursuant to resolution No. (7) above, provided that such amount shall not exceed 10% of the total number of issued Shares on the date of this resolution.

By order of the board
Nanfang Communication Holdings Limited
Yu Jinlai
Chairman

Hong Kong, 29 April 2019

Head office and principal place of business in Hong Kong
Unit 903, 9/F, Capital Centre
151 Gloucester Road
Wan Chai
Hong Kong

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

As at the date hereof, the executive Directors are Mr. Shi Ming (chief executive officer), Ms. Yu Rumin and Ms. Yu Ruping; the non-executive Director is Mr. Yu Jinlai (chairman); and the independent non-executive Directors are Mr. Wu Wing Kuen, Mr. Lam Chi Keung and Mr. Chan Kai Wing.

Notes:

1. A shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxy(ies) (if he/she/it is the holder of two or more shares) to attend and on a poll, vote instead of him/her at the AGM that the appointment shall specify the number and class of shares in respect of which such proxy is so appointed. A proxy need not be a member of the Company.
2. In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of authority, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours (i.e. 3:00 p.m. on 17 June 2019 (Monday)) before the time appointed for holding the AGM or any adjournment thereof.
3. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
4. Where there are joint registered holders of any shares, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.