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

If you have sold or transferred all your shares in China VAST Industrial Urban Development Company Limited, 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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China VAST Industrial Urban Development Company Limited

中國宏泰產業市鎮發展有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6166)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE
SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED AMENDMENTS TO THE TERMS OF
SHARE OPTIONS GRANTED
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of China VAST Industrial Urban Development Company Limited to be held at 24/F., Admiralty Centre 1, 18 Harcourt Road, Hong Kong, on Thursday, 21 June 2018 at 10:30 a.m. is set out on pages 16 to 19 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 (www.hkexnews.hk) and the Company (www.vastiud.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 branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. 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.

26 April 2018

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DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at 24/F., Admiralty Centre 1, 18 Harcourt Road, Hong Kong, on Thursday, 21 June 2018 at 10:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 16 to 19 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	China VAST Industrial Urban Development Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or deal with additional Shares of not exceeding 20% of the total number of the issued Shares of the Company as at the date of passing of the relevant resolution by the Shareholders
“Latest Practicable Date”	23 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

DEFINITIONS

“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to purchase Shares on the Stock Exchange of not exceeding 10% of the total number of the issued Shares of the Company as at the date of passing of the relevant resolution by the Shareholders
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“%”	per cent

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

LETTER FROM THE BOARD



China VAST Industrial Urban Development Company Limited

中國宏泰產業市鎮發展有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6166)

Executive Directors:

Mr. Wang Jianjun (*Chairman and President*)

Mr. Yang Yun (*Vice President*)

Mr. Wang Yagang (*Vice President*)

Mr. Huang Peikun (*Chief Financial Officer*)

Ms. Wang Wei

Registered Office:

Cricket Square

Hutchins Drive

PO Box 2681

Grand Cayman KY1-1111

Cayman Islands

Non-executive Director:

Ms. Zhao Ying

Principal Place of Business and

Head Office in the PRC:

Unit 20703, Level 6

Galaxy SOHO (銀河SOHO)

No. 47 Xiaopaifang Hutong

Dongcheng District

Beijing

China

Independent Non-executive Directors:

Dr. Wong Wing Kuen, Albert

Ms. Hsieh Yafang

Professor Wang Yijiang

Principal Place of Business in

Hong Kong:

Room 1902, China Merchants Tower

Shun Tak Centre

168–200 Connaught Road Central

Hong Kong

26 April 2018

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE
SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED AMENDMENTS TO THE TERMS OF THE
SHARE OPTIONS GRANTED
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

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 for (i) the re-election of the retiring Directors; (ii) the granting to the Directors of the Share Repurchase Mandate and the Issuance Mandate to repurchase Shares and to issue new Shares respectively; and (iii) the amendments to the terms of the share options granted.

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 84 of the Articles of Association, one-third of the Directors for the time being shall retire from office by rotation at each annual general meeting of the Company, and Mr. Yang Yun, Mr. Wang Yagang and Ms. Zhao Ying will retire at the Annual General Meeting by rotation, all of whom, being eligible, have offered themselves for re-election.

Pursuant to Article 83 of the Articles of Association, Ms. Wang Wei, Ms. Hsieh Yafang and Professor Wang Yijiang, who were appointed by the Directors on 10 November 2017, will hold office until the next following annual general meeting of the Company and being eligible, offer themselves for re-election.

Details of the retiring Directors who are proposed to be re-elect are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

On 23 June 2017, an ordinary resolution was passed by the Shareholders to grant the Directors a general mandate to repurchase Shares. Such mandate will lapse at the conclusion of the forthcoming 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 purchase Shares on the Stock Exchange of not exceeding 10% of the total number of the issued Shares of the Company at the date of passing of the relevant resolution by the Shareholders. As at the Latest Practicable Date, the number of Shares in issue is 1,651,237,491. On the basis that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed to repurchase a maximum of 165,123,749 Shares (equivalent to an aggregate nominal amount of Shares of HK\$1,651,237.49) under the Share Repurchase Mandate. The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

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.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

On 23 June 2017, an ordinary resolution was passed by the Shareholders to grant to the Directors a general mandate to issue shares. Such mandate will lapse at the conclusion of the forthcoming 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

LETTER FROM THE BOARD

Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of the issued Shares of the Company at the date of passing of the relevant resolution by the Shareholders. As at the Latest Practicable Date, the number of Shares in issue is 1,651,237,491. On the basis that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed to allot and issue a maximum of 330,247,498 Shares (equivalent to an aggregate nominal amount of Shares of HK\$3,302,474.98) under the Issuance Mandate. An ordinary resolution to extend the Issuance Mandate by adding the aggregate amount of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

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

5. PROPOSED AMENDMENTS TO THE TERMS OF SHARE OPTIONS GRANTED

Reference is made to (i) the circular of the Company dated July 6, 2015 in relation to the proposed adoption of share option scheme, and (ii) the announcement of the Company dated July 28, 2015 in relation to the grant of share options under the share option scheme.

On July 21, 2015, the Company has adopted the share option scheme through an ordinary resolution passed by the shareholders of the Company (the “**Share Option Scheme**”). The purpose of the Share Option Scheme is to enable the Company to grant share options to the eligible participants as incentives or rewards for their contribution or potential contribution to the development and the growth of the Group.

As at the Latest Practicable Date, the Board had granted 90,750,000 options (the “**Options**”) to the eligible participants to subscribe for a total of 90,750,000 ordinary Shares pursuant to the Share Option Scheme, out of which (i) 28,200,000 Options have been lapsed; (ii) no Options have been exercised; and (iii) 62,550,000 Options remain outstanding (representing approximately 3.79 % of the total number of issued Shares). Apart from the Share Option Scheme, the Company has no other share option scheme currently in force.

In order to continue to achieve the purpose of the Share Option Scheme for the time being, so as to encourage long-term commitment to the Company and to align the interests of Directors and certain employees with the Company’s development, the Board proposes to:

- (i) extend the validity period of the Options granted under the Share Options Scheme and extend maturity date for three years from July 31, 2019 to July 31, 2022. Exercise price is HK\$3.02 per share; and
- (ii) amend the exercise periods of:
 - (1) one-third of the Options granted under the Share Options Scheme from “July 28, 2016 to July 31, 2019” to “July 28, 2016 to July 31, 2022”;
 - (2) one-third of the Options granted under the Share Options Scheme from “July 28, 2017 to July 31, 2019” to “July 28, 2017 to July 31, 2022”; and
 - (3) one-third of the Options granted under the Share Options Scheme from “July 28, 2018 to July 31, 2019” to “July 28, 2019 to July 31, 2022”.

LETTER FROM THE BOARD

Saved for the proposed amendments as set out in this Circular, the terms of the Options granted remain unchanged.

It is expected that the proposed extension of validity period and amendment to exercise periods would induce and incentivise the holders of the Options to continue their career development in the Company and contribute to the growth and success of the Company. As the Share Option Scheme still has a remaining life of over 7 years, the Options granted remain exercisable within the life of the Share Option Scheme and it is unnecessary for the Company to adopt a new share option scheme to give effect to the amendments.

As at the Latest Practicable Date, among the 62,550,000 outstanding Options, a total of 13,500,000 outstanding Options were granted to the Directors, with details as follows:

Name of Director	Position(s) held with the Company	Exercise price per share	No. of outstanding Options
Yang Yun	Executive Director and Vice President	3.02	4,500,000
Wang Yagang	Executive Director and Vice President	3.02	4,500,000
Huang Peikun	Executive Director and Chief Financial Officer	3.02	4,500,000
		<i>Total:</i>	<u>13,500,000</u>

As at the Latest Practicable Date, Mr. Huang Peikun is interested in 20,000 Shares, representing approximately 0.00% of the total Shares in issue. In addition, two Option holders, namely Ms. Cui Xiangxu and Ms. Wang Simeng, are interested in 568,000 Shares in total, representing approximately 0.03% of the total Shares in issue. Pursuant to Rule 2.17(1) of the Listing Rules, Mr. Huang Peikun and these two Option holders will abstain from voting on the resolution to amend the terms of the Options at the Annual General Meeting. Saved as disclosed above, as at the Latest Practicable Date, the other two Directors, namely Mr. Yang Yun and Mr. Wang Yagang, do not hold any Shares or any voting rights in the Company.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, no Shareholder has any material interest in the proposed amendments to the terms of the Options and therefore, no Shareholder is required to abstain from voting on the resolution to be proposed at the Annual General Meeting to the approve the proposed amendment to the terms of Options granted. The proposed extension of the validity period and amendment of the exercise periods of the Options complies with the requirement under Rule 17.03(5) of the Listing Rules. Save as stated above, there is no other proposed amendment to the terms of the outstanding Options.

LISTING RULES IMPLICATIONS

Pursuant to the terms of the Share Option Scheme and Rule 17.03 of the Listing Rules, any change to the terms of the Options granted under the Share Option Scheme must be approved by the Shareholders. Accordingly, resolution will be proposed at the Annual General Meeting for the Shareholders to consider the proposed amendments to the terms of the Options granted.

LETTER FROM THE BOARD

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 16 to 19 of this circular.

Pursuant to the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of 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 (www.hkexnews.hk) and the Company (www.vastiud.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. 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.

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 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.

8. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, granting of the Share Repurchase Mandate and Issuance Mandate and amendments to the terms of the share options granted 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.

9. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in Appendix I (Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting) and Appendix II (Explanatory Statement on the Share Repurchase Mandate) to this circular.

Yours faithfully,
For and on behalf of the Board
China VAST Industrial Urban Development Company Limited
Wang Jianjun
Chairman

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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

EXECUTIVE DIRECTORS

Yang Yun

Mr. Yang Yun (楊允), aged 44, was appointed as our executive Director on 17 March 2014. Mr. Yang is the vice president of our Group, responsible for strategy and development, expansion of industrial town projects and property development and overall process management of property development. Mr. Yang has 19 years of experience in the real estate industry. He received his bachelor's degree in real estate management (房地產經營管理) from Jiangxi University of Finance and Economics (江西財經大學), located in the PRC, in July 1998. He was qualified as an Assistant Economist (助理經濟師) by the Title Reform Office of Langfang Economic Development Zone (廊坊開發區職改辦) in October 1999.

Mr. Yang did not hold any other directorships in public listed companies in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

Mr. Yang has entered into a service contract with the Company for a term of three years which could be terminated by either party giving three months' prior written notice and is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. His emoluments are determined with reference to his duties and responsibilities with the Company and the Company's remuneration policy. Mr. Yang has received directors' emoluments in the total sum of RMB1,080,000 for the year ended 31 December 2017.

As at the Latest Practicable Date, Mr. Yang was interested in the share options to subscribe for an aggregate of 4,500,000 Shares, representing approximately 0.27% of the issued share capital of the Company. Save as disclosed above, Mr. Yang has no interests in the Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed above, there is no other information which shall be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in respect of Mr. Yang and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

Wang Yagang

Mr. Wang Yagang (王亞剛), aged 37, was appointed as our executive Director on 17 March 2014. Mr. Wang Yagang is the Vice President of our Group, responsible for overall management of industrial town projects. Mr. Wang has 15 years of experience in the real estate industry. He graduated from Agriculture University of Hebei (河北農業大學), located in the PRC, majoring in Management of Urban Economics (城鎮經濟管理), in December 2004.

Mr. Wang did not hold any other directorship in public listed companies in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
 BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Mr. Wang has entered into a service contract with the Company for a term of three years which could be terminated by either party giving three months' prior written notice and is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. His emoluments are determined with reference to his duties and responsibilities with the Company and the Company's remuneration policy. Mr. Wang has received directors' emoluments in the total sum of RMB1,080,000 for the year ended 31 December 2017.

As at the Latest Practicable Date, Mr. Wang was interested in the share options to subscribe for an aggregate of 4,500,000 Shares, representing approximately 0.27% of the issued share capital of the Company. Save as disclosed above, Mr. Wang has no interests in the Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed above, there is no other information which shall be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in respect of Mr. Wang and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

Wang Wei

Ms. Wang Wei (王薇), aged 26, was appointed as our executive director on 10 November 2017. Ms. Wang is the daughter of Mr. Wang Jianjun and Ms. Zhao Ying. Ms. Wang holds a bachelor's degree in finance from Shanghai University of Finance and Economics in June 2013. She worked in the Company on a part-time basis and in an international investment institution before joining the Company on full-time basis in July 2017. She is responsible for overseeing the Group's corporate finance activities and mergers and acquisitions.

Ms. Wang did not hold any other directorship in public listed companies in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

Ms. Wang has entered into a service contract with the Company for a term of three years which could be terminated by either party giving three months' prior written notice and is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. Her emoluments are determined with reference to her duties and responsibilities with the Company and the Company's remuneration policy. Ms. Wang is entitled to a remuneration package of HK\$1,300,000 per annum, with performance bonus at the discretion of the Board.

As at the Latest Practicable Date, Ms. Wang has no interests in the Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed above, there is no other information which shall be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in respect of Ms. Wang and there are no other matters that need to be brought to the attention of the Shareholders in relation to her re-election.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

NON-EXECUTIVE DIRECTOR

Zhao Ying

Ms. Zhao Ying (趙穎), aged 47, was appointed as our non-executive Director on 13 February 2014 and a member of remuneration committee on 6 August 2014. Ms. Zhao has 9 years of experience in the real estate industry. Ms. Zhao is the spouse of Mr. Wang Jianjun and the mother of Ms. Wang Wei. Ms. Zhao also serves as a non-executive director of China Wan Tong Yuan (Holdings) Limited (a company listed on the Stock Exchange with stock code 08199) since January 2017.

Save as disclosed above, Ms. Zhao did not hold any other directorship in public listed companies in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

Ms. Zhao has entered into a letter of appointment with the Company for a term of three years which could be terminated by either party giving three months' prior written notice and is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. Her emoluments are determined with reference to her duties and responsibilities with the Company and the Company's remuneration policy. Ms. Zhao has received directors' emoluments in the total sum of RMB263,000 for the year ended 31 December 2017.

As at the Latest Practicable Date, Ms. Zhao was interested in 1,185,454,664 Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed above, there is no other information which shall be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in respect of Ms. Zhao and there are no other matters that need to be brought to the attention of the Shareholders in relation to her re-election.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Hsieh Yafang

Ms. Hsieh Yafang (謝亞芳女士), aged 44, was appointed as our independent non-executive Director, and a member of the audit committee, nomination committee and remuneration committee on 10 November 2017. Ms. Hsieh is currently a senior presenter and anchor for a channel of Phoenix Satellite Television Holdings Limited. She has over 20 years of journalist experience in the PRC and Taiwan. Since 2010, she has served on the board of the Hong Kong alumni association of the Cheung Kong Business School as the Secretary-General. Ms. Hsieh received her EMBA from Cheung Kong Business School in 2007 and her Bachelor of Art with focus in Japanese studies from Soochow University in Taiwan in 1996.

Ms. Hsieh did not hold any other directorship in public listed companies in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Ms. Hsieh has entered into a letter of appointment with the Company for a term of three years which could be terminated by either party giving three months' prior written notice and is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. Her emoluments are determined with reference to her duties and responsibilities with the Company and the Company's remuneration policy. Ms. Hsieh is entitled to a director's fee of HK\$300,000 per annum.

As at the Latest Practicable Date, Ms. Hsieh has no interests in the Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed above, there is no other information which shall be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in respect of Ms. Hsieh and there are no other matters that need to be brought to the attention of the Shareholders in relation to her re-election.

Wang Yijiang

Professor Wang Yijiang (王一江教授), aged 64, was appointed as our independent non-executive Director, the chairman of the remuneration committee and a member of the audit committee and nomination committee on 10 November 2017. Professor Wang is currently the Professor of Economics and Human Resource Management and an Academic Associate Dean of Cheung Kong Graduate School of Business (in charge of the Shenzhen campus) and a senior fellow at the National Center of Economic Research, Tsinghua University. He served as vice president of the Chinese Economists Society of North America. He was also a Professor Emeritus of Human Resource Management at the Carlson School of Management of University of Minnesota.

Professor Wang graduated from the Peking University with a Bachelor's degree in Economics and a Master's degree in United States Economy in 1982 and 1985, respectively. He then pursued further studies and obtained a Master's degree and a Doctor of Philosophy degree in Economics at the Harvard University in 1989 and 1991, respectively. His research areas cover human resource management, labour and personnel economics, comparative international management systems, economics of transition and emerging markets and economics of organization, and his research findings have been frequently quoted.

Professor Wang currently serves as an independent director of Shenzhen Zqgame Co., Ltd. (a company listed on Shenzhen Stock Exchange with stock code 300052) since March 2014, a non-executive director of Zhejiang Red Dragonfly Footwear Co.,Ltd. (a company listed on Shanghai Stock Exchange with stock code 603116) since September 2016, an independent non-executive director of Zhuhai Holdings Investment Group Limited (a company listed on the Stock Exchange with stock code 00908) since August 2015, and an independent non-executive director of TCL Multimedia Technology Holdings Limited (a company listed on the Stock Exchange with stock code 01070) since February 2016. He was an independent director of Beijing Huatu Hongyang Education & Culture Corp., Ltd. (a company listed on National Equities Exchange and Quotations in the PRC with stock code: 830858) between November 2012 and June 2017, and an external director of XCMG Construction Machinery Co., Ltd. (a company listed on Shenzhen Stock Exchange with stock code 000425) between July 2010 and July 2017.

Save as disclosed above, Professor Wang did not hold any other directorship in public listed companies in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO
 BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Professor Wang has entered into a letter of appointment with the Company for a term of three years which could be terminated by either party giving three months' prior written notice and is subject to retirement by rotation and re-election at least once every three years at the annual general meeting in accordance with the Articles of Association. His emoluments are determined with reference to his duties and responsibilities with the Company and the Company's remuneration policy. Professor Wang is entitled to a director's fee of HK\$300,000 per annum.

As at the Latest Practicable Date, Professor Wang has no interests in the Shares or underlying Shares within the meaning of Part XV of the SFO. Save as disclosed above, there is no other information which shall be disclosed pursuant to any of the requirements set out in Rules 13.51(2) of the Listing Rules in respect of Professor Wang and there are no other matters that need to be brought to the attention of the Shareholders in relation to his re-election.

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 total numbers of the issued Shares of the Company comprised 1,651,237,491 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 total number of the issued Shares of the Company remains unchanged from the Latest Practicable Date up to the date of the Annual General Meeting, i.e. being 1,651,237,491 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a maximum of 165,123,749 Shares (equivalent to an aggregate nominal amount of Shares of HK\$1,651,237.49).

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 as a whole.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

The Company may not repurchase its Shares 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.

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 2017) 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 during the previous twelve months prior and up to the Latest Practicable Date were as follows:

Month	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
March	3.28	2.94
April	4.01	2.78
May	2.90	2.57
June	2.75	2.38
July	3.19	2.38
August	3.25	2.89
September	4.23	3.22
October	4.80	3.85
November	4.35	3.58
December	4.40	3.58
2018		
January	4.17	3.60
February	4.23	3.45
March	4.73	3.78
April (up to the Latest Practicable Date)	4.65	3.90

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

To the best knowledge of the Company, as at the Latest Practicable Date, Profit East Limited, the controlling Shareholder of the Company (as defined in the Listing Rules), was interested in 1,185,454,664 Shares, representing approximately 72.39% of the total number of the issued Shares of the Company. Profit East Limited is beneficially owned by Ms. Zhao Ying, non-executive Director of the Company. In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the shareholding of Profit East Limited would be increased to approximately 79.77% of the total number of the issued Shares of the Company.

The Directors consider that such increase in shareholding would not give rise to an obligation for Profit East Limited to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the number of Shares held by the public to less than 25% of the total number of the issued Shares of the Company. The Directors do not propose to exercise the Share Repurchase Mandate to such an extent which will result in reducing the number of Shares held by the public to less than 25%. In exercising the Share Repurchase Mandate (whether in full or otherwise), the Directors will ensure that the Company shall comply with the requirements of the Listing Rules, including the minimum percentage of Shares being held in public hands.

Save as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a consequence of any purchases pursuant to the Share Repurchase Mandate.

8. REPURCHASE OF SHARES MADE BY THE COMPANY

During the previous six months prior and up to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



China VAST Industrial Urban Development Company Limited

中國宏泰產業市鎮發展有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6166)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of China VAST Industrial Urban Development Company Limited (the “**Company**”) will be held at 24/F., Admiralty Centre 1, 18 Harcourt Road, Hong Kong, on Thursday, 21 June 2018 at 10:30 a.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 December 2017.
2. To declare a final dividend of HK\$0.25 per Share for the year ended 31 December 2017.
3. To re-elect the following retiring Directors of the Company:
 - (a) Mr. Yang Yun as an executive Director;
 - (b) Mr. Wang Yagang as an executive Director;
 - (c) Ms. Wang Wei as an executive Director;
 - (d) Ms. Zhao Ying as a non-executive Director;
 - (e) Ms. Hsieh Yafang as an independent non-executive Director; and
 - (f) Professor Wang Yijiang as an independent non-executive Director,

and to authorise the board of Directors (“**Board**”) of the Company to fix the Directors’ remuneration.

4. To re-appoint Deloitte Touche Tohmatsu as auditor and to authorize the board of directors to fix their remuneration.

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

5. “**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 below) all the powers of the Company to purchase its shares in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

(b) the total amount of shares of the Company to be purchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of the issued Shares of the Company as at the date of passing of this resolution and the said mandate shall be limited accordingly; and

(c) 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. **“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 below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;

(b) the mandate in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

(i) a Rights Issue (as defined below);

(ii) the exercise of options under any share option scheme of the Company; and

(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,

shall not exceed 20% of the total number of the issued Shares of the Company on the date of passing of this resolution and the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(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.

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

7. “**THAT** conditional upon the passing of 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 amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of an amount representing the aggregate amount of shares purchased 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 the issued Shares of the Company as at the date of passing of this resolution.”

8. “**THAT:**

(a) the extension of the validity period of all the share options (the “**Options**”) granted on July 28, 2015 by the Company under the share option scheme adopted by the Company on July 21, 2015 (the “**Share Option Scheme**”) and extend maturity date for three years from July 31, 2019 to July 31, 2022, and exercise price of the Options is HK\$3.02 per ordinary share of the Company be and is hereby approved; and

(b) the amendment to the exercise periods of:

- (1) one-third of the Options granted under the Share Options Scheme from “July 28, 2016 to July 31, 2019” to “July 28, 2016 to July 31, 2022”;
- (2) one-third of the Options granted under the Share Options Scheme from “July 28, 2017 to July 31, 2019” to “July 28, 2017 to July 31, 2022”; and

NOTICE OF ANNUAL GENERAL MEETING

- (3) one-third of the Options granted under the Share Options Scheme from “July 28, 2018 to July 31, 2019” to “July 28, 2019 to July 31, 2022”,

be and is hereby approved.”

By Order of the Board
China VAST Industrial Urban Development Company Limited
Wang Jianjun
Chairman

Hong Kong, 26 April 2018

Notes:

1. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy or, if holding two or more shares, more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. 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 branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from 15 June 2018 to 21 June 2018, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 14 June 2018.
4. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17 Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 26 June 2018.
5. An explanatory statement containing further details in respect of resolution 5 is included in Appendix II of the circular.
6. **BAD WEATHER ARRANGEMENTS:** If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time after 8:00a.m. on the date of the meeting, the meeting will be postponed and Shareholders will be informed of the date, time and venue of the postponed AGM by an announcement posted on the websites of the Company and the Stock Exchange. The meeting will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force and Shareholders will be informed of the date, time and venue of the postponed AGM by an announcement posted on the websites of the Company and the Stock Exchange. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.
7. As at the date of this notice, the executive Directors of the Company are Mr. WANG Jianjun, Mr. YANG Yun, Mr. WANG Yagang, Mr. HUANG Peikun and Ms. WANG Wei; the non-executive director is Ms. ZHAO Ying; and the independent non-executive directors are Dr. WONG Wing Kuen, Albert, Ms HSIEH Yafang and Professor WANG Yijiang.