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

If you have sold or transferred all your shares in DaFa Properties Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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DaFa Properties Group Limited
大发地产集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6111)

(1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
(3) NOTICE OF THE ANNUAL GENERAL MEETING

Capitalised terms used in this cover shall have the same meanings as those defined in this circular.

A notice convening the AGM to be held at Huashan Room, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 5 June 2019 at 2:00 p.m. is set out on pages 15 to 19 of this circular. A form of proxy for use at the AGM is also sent to the Shareholders together with this circular. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.dafaland.com).

Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to Computershare, the branch share registrar of the Company in Hong Kong, 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 AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so desire.

30 April 2019

DEFINITIONS

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

“2018 Annual Dividend”	a final dividend of 16.9 HK cents per Share for the year ended 31 December 2018
“AGM”	the annual general meeting of the Company to be held at Huashan Room, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 5 June 2019 at 2:00 p.m., or any adjournment thereof, to consider and, if thought fit, approve the resolutions contained in the notice of the AGM which is set out on pages 15 to 19 of this circular
“Articles of Association”	the amended and restated memorandum and articles of association of the Company, as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“Company”	DaFa Properties Group Limited, an exempted company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6111)
“Computershare”	Computershare Hong Kong Investor Services Limited, the branch share registrar of the Company in Hong Kong
“Controlling Shareholders”	collectively, Mr. Ge Hekai (葛和凱), Mr. Ge Yiyang (葛一陽), Mr. Ge Heming (葛和鳴), Ms. Jin Linyin (金林蔭), Splendid Sun, Sound Limited, Shade (BVI), Glorious Villa and He Hong
“Director(s)”	the director(s) of the Company
“Glorious Villa”	Glorious Villa Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, a controlling Shareholder which is directly wholly-owned by Mr. Ge Yiyang
“Group”	the Company and its subsidiaries

DEFINITIONS

“He Hong”	He Hong Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, which is indirectly owned as to 73%, 21%, 5% and 1% by Mr. Ge Hekai, Mr. Ge Yiyang, Ms. Jin Linyin and Mr. Ge Heming, respectively
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Mandate”	a general mandate proposed to be granted to the Directors as set out in item 7 of the notice of the AGM
“Latest Practicable Date”	23 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Date”	11 October 2018, being the date of the listing of the Shares 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
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shade (BVI)”	Shade (BVI) Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, a controlling shareholder of the Company which is directly wholly-owned by Ms. Jin Linyin
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of HK\$0.001 each
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors as set out in item 6 of the notice of the AGM
“Shareholder(s)”	holder(s) of Share(s)

DEFINITIONS

“Sound Limited”	Sound Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, a controlling shareholder of the Company which is directly wholly-owned by Mr. Ge Heming
“Splendid Sun”	Splendid Sun Limited, a company incorporated under the laws of the British Virgin Islands with limited liability, a controlling shareholder of the Company which is directly wholly-owned by Mr. Ge Hekai
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers
“%”	per cent

LETTER FROM THE BOARD



DaFa Properties Group Limited

大发地产集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6111)

Executive Directors:

Mr. GE Yiyang (*Chairman*)
Mr. LIAO Lujiang (*Chief Executive Officer*)
Mr. CHI Jingyong
Mr. YANG Yongwu

Independent Non-executive Directors:

Mr. GU Jiong
Mr. SUN Bing
Mr. FOK Ho Yin Thomas

Registered Office:

The offices of Walkers Corporate Limited
Cayman Corporate Centre
27 Hospital Road
George Town
Grand Cayman KY1-9008
Cayman Islands

*Headquarters and Principal Place of
Business in the PRC:*

No. 2, Lane 1188
Shenhong Road
Minhang District
Shanghai
the PRC

Principal Place of Business in Hong Kong:
40th Floor, Sunlight Tower
No. 248 Queen's Road East
Wanchai
Hong Kong

30 April 2019

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS**
**(2) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES**
AND
(3) NOTICE OF THE ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information of the resolutions to be proposed, and if thought fit, to be approved at the AGM in respect of:

- (i) the re-election of the retiring Directors;

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- (ii) the granting of the Share Repurchase Mandate and the Issuance Mandate to the Directors; and
- (iii) the proposed payment of the 2018 Annual Dividend.

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 108(a) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

In accordance with Article 108(a) of the Articles of Association, Mr. GE Yiyang, Mr. LIAO Lujiang and Mr. YANG Yongwu shall retire from their offices as Directors at the AGM. Mr. GE Yiyang, Mr. LIAO Lujiang and Mr. YANG Yongwu being eligible, will offer themselves for re-election at the AGM. The details of the retiring Directors are set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES AND TO ISSUE SHARES

Pursuant to the written resolutions passed by the Shareholders on 10 September 2018, the Directors were granted (i) a general mandate to repurchase Shares with an aggregate number of not more than 10% of the aggregate number of the Shares in issue as at the Listing Date, and (ii) a general mandate to issue and deal with Shares, convertible securities or options and warrants with an aggregate number of Shares or the underlying Shares of not more than 20% of the number of Shares in issue as at the Listing Date, and such general mandate was extended by addition of the aggregate number of the Shares repurchased by the Company.

Such mandates will lapse at the conclusion of the AGM. In order to give the Company the flexibility to repurchase Shares and issue Shares if and when appropriate, ordinary resolutions will be proposed at the AGM to approve:

- (i) the granting of the Share Repurchase Mandate to the Directors to exercise all the powers of the Company to repurchase Shares with an aggregate number of not more than 10% of the aggregate number of the Shares in issue as at the date of passing of such ordinary resolution (i.e. 82,788,000 Shares, on the basis that the total number of issued Shares will remain unchanged on the date of the AGM);

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- (ii) the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of such ordinary resolution (i.e. 165,576,000 Shares on the basis that the total number of issued Shares will remain unchanged on the date of the AGM); and
- (iii) the extension of the Issuance Mandate by adding the total number of Shares repurchased by the Company since the granting of the Share Repurchase Mandate.

Each of the Issuance Mandate and the Share Repurchase Mandate will remain in effect until the earliest of the following:

- (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 to be held under any applicable laws or the Articles of Association; or
- (iii) it is varied, revoked or renewed by an ordinary resolution of the Shareholders at a general meeting.

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate or to issue any Shares pursuant to the Issuance Mandate.

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

4. PROPOSED FINAL DIVIDEND

As disclosed in the announcement of the Company dated 28 March 2019, the Board recommended the payment of the 2018 Annual Dividend of 16.9 HK cents per Share for the year ended 31 December 2018 to the Shareholders subject to the approval of the Shareholders at the AGM. The proposed 2018 Annual Dividend is expected to be paid in cash to the Shareholders on or about 12 July 2019.

LETTER FROM THE BOARD

5. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods and during these periods, no transfer of Shares will be registered:

(i) To attend and vote at the AGM

For the purpose of ascertaining the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 31 May 2019 to Wednesday, 5 June 2019, both days inclusive. In order to be eligible to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged for registration with Computershare at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 30 May 2019.

(ii) To qualify for the proposed 2018 Annual Dividend

For the purpose of ascertaining the Shareholders' entitlement to the proposed 2018 Annual Dividend, the register of members of the Company will be closed from Wednesday, 12 June 2019 to Friday, 14 June 2019, both days inclusive. In order to qualify for the proposed 2018 Annual Dividend, all transfers of Shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged for registration with Computershare at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, 11 June 2019.

6. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 15 to 19 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules and Article 72 of the Articles of Association, any vote of 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 results will be published by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the AGM is sent to the Shareholders together with this circular. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.dafaland.com). Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to Computershare, the branch share registrar of the Company in Hong Kong, 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 AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM if you so desire.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting at the AGM.

7. RECOMMENDATION

The Directors consider that (i) the proposed re-election of the retiring Directors; (ii) the proposed granting of the Share Repurchase Mandate and Issuance Mandate to the Directors; and (iii) the proposed payment of the 2018 Annual Dividend are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

8. ADDITIONAL 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
DaFa Properties Group Limited
GE Yiyang
Chairman

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

The following are the details of the Directors who will retire, and being eligible, offer themselves for re-election at the AGM:

EXECUTIVE DIRECTORS

Mr. Ge Yiyang (葛一陽) (“**Mr. Ge**”), aged 35, was appointed as an executive Director on 23 March 2018. He is a cousin of Mr. Ge Lv, who is the vice president of the Company, the son of Mr. Ge Hekai and Ms. Jin Linyin and a nephew of Mr. Ge Heming. Mr. Ge Hekai, Ms. Jin Linyin and Mr. Ge Heming are the controlling Shareholders. Mr. Ge is responsible for the overall strategic planning of the Group. He has over 11 years of experience in the PRC real estate industry. In addition, Mr. Ge currently holds directorship in certain subsidiaries of the Group.

Mr. Ge obtained his bachelor’s degree in business administration and computer science from Aston University in the U.K. in July 2006. He also obtained an executive master business administration degree from Cheung Kong Graduate School of Business (長江商學院) in Beijing, the PRC in September 2013. Mr. Ge also enrolled in the DBA program (企業家學者項目) offered by Cheung Kong Graduate School of Business in October 2016.

Mr. Ge has entered into a service contract with the Company for a term of three years commencing from the Listing Date, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association. Under the service contract, Mr. Ge is entitled to a director’s remuneration of RMB754,965 per annum and discretionary bonus as determined by the Board with reference to the Company’s performance, the prevailing market conditions and the individual Director’s overall performance after the completion of each service year.

Pursuant to the deed of act-in-concert dated 16 April 2018 and entered into amongst Mr. Ge Hekai, Mr. Ge, Mr. Ge Heming and Ms. Jin Linyin, each of the above controlling Shareholders, together with their respective holding companies (being Splendid Sun, Sound Limited, Shade (BVI), Glorious Villa and He Hong), are all deemed to be interested in the total Shares directly and indirectly held by Splendid Sun, Sound Limited, Shade (BVI), Glorious Villa and He Hong, being 600,000,000 Shares. Therefore, as at the Latest Practicable Date, Mr. Ge was deemed to be interested in the 600,000,000 Shares, representing approximately 72.47% of the total issued share capital of the Company.

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

Mr. Liao Lujiang (廖魯江) (“Mr. Liao”), aged 47, has been an executive Director since 23 March 2018. He was appointed as the chief executive officer on 4 April 2018 and is responsible for business operations and daily management of the Group. Mr. Liao has over 11 years of experience in the PRC real estate industry. He joined the Group in February 2018 and has been the chief executive officer of Shanghai Dafa Land Group Co., Ltd. (上海大發房地產集團有限公司) (an indirect wholly-owned subsidiary of the Company). From October 2006 to January 2011, Mr. Liao worked at Longfor Properties Co., Ltd. (龍湖地產有限公司), a company listed on the Stock Exchange (stock code: 960), where he successively served as a deputy manager of the department of human resources and a personnel director of human resources and was responsible for human resource management. From January 2011 to January 2018, Mr. Liao served as an executive director of Shimao Property Holdings Limited (世茂房地產控股有限公司), a company listed on the Stock Exchange (stock code: 813), where he was responsible for operation, information technology and human resources. Since September 2015, Mr. Liao has been a director of Beijing Bozhicheng Management Consulting Co., Ltd. (北京博志成在線科技股份有限公司), a technology company whose shares are quoted on the National Equities Exchange and Quotations System (stock code: 872526).

Mr. Liao obtained a master’s degree in public administration from Tsinghua University (清華大學) in Beijing, the PRC in July 2004. He also obtained an executive master of business administration degree from The Hong Kong University of Science and Technology in Hong Kong in November 2016.

Mr. Liao has entered into a service contract with the Company for a term of three years commencing from the Listing Date, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association. Under the service contract, Mr. Liao is entitled to a director’s remuneration of RMB262,965 per annum and discretionary bonus as determined by the Board with reference to the Company’s performance, the prevailing market conditions and the individual Director’s overall performance after the completion of each service year.

Mr. Yang Yongwu (楊永武) (“Mr. Yang”), aged 51, has been an executive Director since 23 March 2018 and is primarily responsible for risk management and corporate governance of the Group. Mr. Yang has over 15 years of experience in financial management. In addition, Mr. Yang currently holds directorship in certain subsidiaries of the Group.

Mr. Yang obtained his bachelor’s degree in financial accounting from Zhejiang Open University (浙江廣播電視大學) in Zhejiang Province, the PRC in September 1990. He acquired his accounting license in May 1996 from the Ministry of Finance of the PRC. Mr. Yang obtained the qualification as an accountant in May 1996 as certified by the Ministry of Finance of the PRC.

Mr. Yang has entered into a service contract with the Company for a term of three years commencing from the Listing Date, and is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association. Under the

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

service contract, Mr. Yang is entitled to a director's remuneration of RMB205,975 per annum and discretionary bonus as determined by the Board with reference to the Company's performance, the prevailing market conditions and the individual Director's overall performance after the completion of each service year.

Save as disclosed above, as at the Latest Practicable Date, each of the retiring Directors (i) held no other directorships in any listed public companies in the last three years; (ii) did not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders; and (iii) did not have any other interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, there was no other information relating to each of the retiring Directors that was required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and no other matter in relation to their proposed re-election that needs to be brought to the attention of the Shareholders.

The following is an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with information reasonably necessary to enable such Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued Shares is 827,880,000.

Subject to the passing of the ordinary resolution in respect of the granting of the Share Repurchase Mandate and on the basis that the total number of issued Shares will remain unchanged on the date of the AGM, being 827,880,000 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, up to 82,788,000 Shares, representing approximately 10% of the total number of issued Shares as at the date of the AGM.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that it is in the best interests of the Company and Shareholders for the Directors to receive the general authority from the Shareholders to repurchase Shares in the market. Repurchases of Shares will only be made when the Directors believe that such repurchases will be in the interest of the Company and the Shareholders. Such repurchases may, depending on market conditions, funding arrangements and other circumstances at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share.

3. FUNDING OF SHARE REPURCHASE

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

Any payment for the repurchase of Shares will be drawn from the profits or share premium of the Company or from the proceeds of a fresh issue of shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Companies Law of the Cayman Islands, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles of Association and subject to the Companies Law of the Cayman Islands, out of capital.

4. IMPACT OF SHARE REPURCHASE

The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, under the circumstances, have a material adverse effect in the opinion of the Directors on the working capital requirements of the Company or its gearing levels. However, 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 2018 in the event that the Share Repurchase Mandate is exercised in full.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during the period from the Listing Date up to and including the Latest Practicable Date were as follows:

Month	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2018		
October (<i>from the Listing Date</i>)	5.13	4.20
November	4.62	4.21
December	4.48	4.15
2019		
January	4.52	4.28
February	4.34	4.21
March	5.40	4.25
April (<i>up to the Latest Practicable Date</i>)	6.16	5.06

6. GENERAL

To the best of the knowledge of the Directors 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, in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

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 securities repurchase 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 purpose of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of the 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 of the Takeovers Code as a result.

As at the Latest Practicable Date, the Controlling Shareholders, by virtue of the deed of act-in-concert dated 16 April 2018 and entered into amongst Mr. Ge Hekai, Mr. Ge Yiyang, Mr. Ge Heming and Ms. Jin Linyin, were entitled, in aggregate, to exercise voting rights of approximately 72.47% of the total issued share capital of the Company. If the Share Repurchase Mandate is fully exercised, then, the total number of Shares which will be repurchased pursuant to the Share Repurchase Mandate shall be 82,788,000 Shares (being 10% of the issued share capital of the Company based on the aforesaid assumptions). The percentage shareholding of the Controlling Shareholders, in aggregate, will increase from approximately 72.47% to approximately 80.53% of the issued share capital of the Company immediately following the full exercise of the Share Repurchase Mandate.

To the best knowledge and belief of the Directors, 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 repurchases pursuant to the Share Repurchase Mandate.

If the Share Repurchase Mandate is fully exercised, the percentage of Shares held by the public would fall below the minimum prescribed level of 25% under the Listing Rules. However, the Directors have no present intention to exercise the Share Repurchase Mandate to such an extent that, under the circumstances, there would be insufficient public float as prescribed under the Listing Rules.

8. REPURCHASE OF SHARES MADE BY THE COMPANY

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

NOTICE OF THE ANNUAL GENERAL MEETING



DaFa Properties Group Limited 大发地产集团有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6111)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “AGM”) of DaFa Properties Group Limited (the “Company”) will be held at Huashan Room, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 5 June 2019 at 2:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

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 2018.
2. (a) To re-elect Mr. GE Yiyang as an executive director of the Company;
(b) To re-elect Mr. LIAO Lujiang as an executive director of the Company; and
(c) To re-elect Mr. YANG Yongwu as an executive director of the Company.
3. To authorize the board of directors of the Company (the “Board”) to fix the remuneration of all directors of the Company (the “Directors”).
4. To re-appoint Ernst & Young as the auditor of the Company, to hold office until the conclusion of the next annual general meeting of the Company, and to authorize the Board to fix their remuneration.
5. To declare a final dividend of 16.9 HK cents per share for the year ended 31 December 2018.
6. “**THAT:**
 - (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the Directors 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 THE ANNUAL GENERAL MEETING

(b) the total number 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 issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of subdivision and consolidation of the shares of the Company) 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.”

7. “**THAT:**

(a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the Directors during the Relevant Period (as defined below) to allot, issue and deal with additional shares of the Company, or securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for any shares 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 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 total number of shares 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 a share option scheme of the Company;

NOTICE OF THE ANNUAL GENERAL MEETING

(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 exercise of rights of subscription or conversion under the term of any securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for any shares of the Company;

shall not exceed 20% of the total number of issued shares of the Company on the date of passing of this resolution (subject to adjustment in the case of subdivision and consolidation of the shares of the Company) and the said mandate shall be limited accordingly; 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 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).”

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8. “**THAT** conditional upon the passing of resolutions set out in items 6 and 7 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 7 of the Notice be and is hereby extended by the addition to the total number 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 total number of shares purchased by the Company pursuant to the mandate referred to in resolution set out in item 6 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 (subject to adjustment in the case of subdivision and consolidation of the shares of the Company).”

By Order of the Board
DaFa Properties Group Limited
GE Yiyang
Chairman

Hong Kong, 30 April 2019

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Notes:

1. Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her to attend and vote on his/her behalf. 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 branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited (“**Computershare**”) 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 AGM or any adjournment thereof. Completion and return 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.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. Where there are joint holders of any share, any one of such joint holders may vote at the AGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the AGM personally or by proxy, then the one of such joint holders so present whose name stands first on the register of members of the Company shall, in respect of such share, be entitled alone to vote in respect thereof.
5. The resolutions at the AGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.dafaland.com) in accordance with the Listing Rules.
6. The register of members of the Company will be closed during the following periods and during these periods, no transfer of the shares of the Company will be registered:

- (i) To attend and vote at the AGM

For the purpose of ascertaining the shareholders’ entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 31 May 2019 to Wednesday, 5 June 2019, both days inclusive. In order to be eligible to attend and vote at the AGM, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged for registration with Computershare at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 30 May 2019.

- (ii) To qualify for the proposed final dividend for the year ended 31 December 2018

For the purpose of ascertaining the shareholders’ entitlement to the proposed final dividend for the year ended 31 December 2018, the register of members of the Company will be closed from Wednesday, 12 June 2019 to Friday, 14 June 2019, both days inclusive. In order to qualify for the proposed final dividend, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged for registration with Computershare at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, 11 June 2019.

As at the date of this notice, the Board comprises Mr. Ge Yiyang, Mr. Liao Lujiang, Mr. Chi Jingyong and Mr. Yang Yongwu as the executive Directors, and Mr. Gu Jiong, Mr. Sun Bing and Mr. Fok Ho Yin Thomas as the independent non-executive Directors.