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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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in DTXS Silk Road Investment Holdings 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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DTXS Silk Road Investment Holdings Company Limited

大唐西市絲路投資控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 620)

PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS, GRANTING OF GENERAL MANDATES TO BUY-BACK SHARES AND TO ISSUE NEW SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of DTXS Silk Road Investment Holdings Company Limited to be held at DTXS Hong Kong Art Central Business District, G/F, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 29 May 2020 at 2:30 p.m. is set out on pages 15 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 the Company (www.dtxs.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

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 branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not later than 2:30 p.m. on Wednesday, 27 May 2020, being 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.

24 April 2020

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at DTXS Hong Kong Art Central Business District, G/F, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 29 May 2020 at 2:30 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the Annual General Meeting which is set out on pages 15 to 19 of this circular, or any adjournment thereof
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company currently in force
“Company”	DTXS Silk Road Investment Holdings Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“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 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 the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 15 to 19 of this circular
“Latest Practicable Date”	16 April 2020, 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, as amended from time to time
“Nomination Committee”	the nomination committee of the Company

DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.50 each in the issued share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to buy-back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 15 to 19 of this circular
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission in Hong Kong, as amended from time to time
“%”	per cent.



DTXS Silk Road Investment Holdings Company Limited

大唐西市絲路投資控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 620)

Executive Directors:

Mr. Lu Jianzhong (*Chairman*)
Mr. Xu Lin (*Executive Vice-chairman*)
Mr. Yang Xingwen
Mr. Lai Kim Fung (*Chief Executive Officer*)
Mr. Wong Kwok Tung Gordon Allan
(*Deputy Chief Executive Officer*)

Non-executive Directors:

Mr. Jean-Guy Carrier
Dr. Cheng Kar-Shun, Henry

Independent Non-executive Directors:

Mr. Cheng Yuk Wo
Mr. Tsui Yiu Wa, Alec
Mr. Tse Yung Hoi
Mr. Wang Shi

Registered Office:

Crawford House
4th Floor
50 Cedar Avenue
Hamilton HM11
Bermuda

*Head Office and Principal Place of
Business in Hong Kong:*

Room 811–817, 8/F
Bank of America Tower
12 Harcourt Road
Central
Hong Kong

24 April 2020

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS,
GRANTING OF GENERAL MANDATES TO
BUY-BACK SHARES AND TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Friday, 29 May 2020.

LETTER FROM THE BOARD

2. RE-ELECTION OF RETIRING DIRECTORS

In accordance with bye-law 99(A) and 182(vi) of the Bye-Laws, Mr. Lu Jianzhong (“Mr. Lu”), Mr. Tsui Yiu Wa, Alec (“Mr. Tsui”), Mr. Tse Yung Hoi (“Mr. Tse”) and Mr. Wang Shi (“Mr. Wang”) will retire from office by rotation at the Annual General Meeting. In accordance with bye-law 102(A) of the Bye-Laws, Mr. Xu Lin (“Mr. Xu”) will retire from office by rotation at the Annual General Meeting. Mr. Cheng Yuk Wo (“Mr. Cheng”) will voluntarily retire from office at the Annual General Meeting. Mr. Cheng and Mr. Tsui had indicated their intention not to offer themselves for re-election due to their other business commitments. Mr. Lu, Mr. Xu, Mr. Tse and Mr. Wang being eligible, offer themselves for re-election at the Annual General Meeting.

The Nomination Committee considers that Mr. Lu, Mr. Xu, Mr. Tse and Mr. Wang continue to contribute effectively and are committed to their roles. Accordingly, the Nomination Committee has nominated (Mr. Lu abstained from voting at the meeting of the Nomination Committee) and the Board has recommended the aforesaid retiring Directors to stand for re-election as Directors at the Annual General Meeting.

The Nomination Committee has considered the background, skills, knowledge and experience of the nominated Independent Non-executive Director, having regard to the Board Diversity Policy of the Board. The Board Diversity Policy sets out that board appointments are based on objective criteria, having due regard for the benefits of diversity on the Board including, but not limited to, gender, age, cultural and educational background, professional experience, skills and knowledge.

Mr. Tse and Mr. Wang had made a confirmation of independence pursuant to rule 3.13 of the Listing Rules. The Board is of the view that Mr. Tse and Mr. Wang meet the independence guidelines set out in rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

Biographical and other details of the retiring Directors proposed for re-election are set out in Appendix I to this circular.

Non-compliance with rules 3.10(1), 3.10(2), 3.10A, 3.21 and 3.25 of the Listing Rules and code provision A.5.1 of the Corporate Governance Code of the Listing Rules

Following the retirement of Mr. Cheng and Mr. Tsui as the Independent Non-executive Directors becoming effective at the conclusion of the Annual General Meeting, the Company has five Executive Directors, two Non-executive Directors and two Independent Non-executive Directors and one audit committee member only, the number of which falls below the minimum number required under rules 3.10(1), 3.10A and 3.21 of the Listing Rules. In addition, the Company fails to meet at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise under rule 3.10(2) of the Listing Rules. Furthermore, the Company fails to meet the requirement of establishing a remuneration committee chaired by an independent non-executive director and comprising a majority of

LETTER FROM THE BOARD

independent non-executive directors under rule 3.25 of the Listing Rules and the composition requirement of the nomination committee under code provision A.5.1 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

The Company will make its best endeavours to identify suitable candidates to fill the vacancies as soon as practicable, with the relevant appointment to be made within three months from the date of the retirement of Mr. Cheng and Mr. Tsui to meet the requirements under the Listing Rules and will make further announcement(s) as and when appropriate.

3. GRANTING OF GENERAL MANDATE TO BUY-BACK SHARES

At the annual general meeting of the Company held on 30 May 2019, a general mandate was granted to the Directors to buy-back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to buy-back Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Buy-back Mandate to the Directors to buy-back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages 15 to 19 of this circular (i.e. a total of 66,748,323 Shares as at the Latest Practicable Date and on the assumption that no further Shares to be issued or bought-back before the Annual General Meeting). The Directors wish to state that they have no immediate plan to buy-back any Shares pursuant to the Share Buy-back 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 ordinary resolution relating to the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

4. GRANTING OF GENERAL MANDATE TO ISSUE NEW SHARES

At the annual general meeting of the Company held on 30 May 2019, a general mandate was granted to the Directors to issue new Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue new Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue and deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 15 to 19 of this circular (i.e. a total of 133,496,646 Shares as at the Latest Practicable Date and on the assumption that no further Shares to be issued or bought-back before the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares bought-back by the Company pursuant to the Share Buy-back 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.

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 19 of this circular.

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

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Company (www.dtxs.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). In order 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 notarially certified copy of that power of attorney or authority at the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 2:30 p.m. on Wednesday, 27 May 2020, being 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 in person at the Annual General Meeting if you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

6. 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.

7. RECOMMENDATION

The Directors consider that the proposals for re-election of retiring Directors and granting of the Share Buy-back Mandate and the Issuance Mandate 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 the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Lai Kim Fung
Executive Director and Chief Executive Officer

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

(1) Mr. Lu Jianzhong

Mr. Lu Jianzhong (“Mr. Lu”), aged 56, was appointed as the Chairman and an Executive Director of the Company on 8 December 2015, and the chairman of the Nomination Committee on 30 March 2017. Mr. Lu graduated from Northwestern Polytechnical University (西北工業大學) with a Master in Industrial Engineering. He is the founding chairman and director of Da Tang Xi Shi Investments Group Limited* (大唐西市文化產業投資集團有限公司), the ultimate controlling shareholder of the Company.

Mr. Lu is also the 13th National People’s Congress, the member of the 10th, 11th and 12th Chinese People’s Political Consultative Conference, the chairman of the Silk Road Chamber of International Commerce (絲綢之路國際總商會), the president of Non state Museums Committee of Chinese Museums Association (中國博物館協會非國有博物館專業委員會), and the vice president of Chinese Association for International Understanding (中國國際交流協會) and China Chamber of International Commerce (中國國際商會).

Mr. Lu has been awarded “The Third Session of National Outstanding Builders of the Socialism with Chinese Characteristic” (全國第三屆優秀中國特色社會主義事業建設者); “Annual Outstanding Individual of China Cultural Heritage Protection” (薪火相傳 — 中國文化遺產保護年度傑出人物); “Chinese Culture Leading Figure” (中華文化人物); “Annual Leading Figure of Chinese People” (中華兒女年度人物); “Top Ten Leading Figure of China Private Enterprises” (中國民營企業十大人物); “The Outstanding Shaanxi Businessman” (全球秦商風雲人物); and “Annual Leading Figure of Culture Industry in 2013” (2013中國文化產業年度人物).

Mr. Lu has entered into a renewed appointment agreement with the Company for a term of three years which the appointment agreement can be terminated by either party giving one month’s written notice and is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the Listing Rules. Pursuant to the terms of appointment, Mr. Lu is entitled to a director’s fee of HK\$360,000 per annum. Mr. Lu’s remuneration is recommended by the remuneration committee of the Company and determined by the Board with reference to his duties and responsibilities with the Company and prevailing market conditions.

* For identification purpose only

As at the Latest Practicable Date, Da Tang Xi Shi International Holdings Limited (“DTXS International Holdings”), the controlling shareholder of the Company was interested in 373,446,736 Shares and Mr. Lu is the ultimate controlling shareholder of DTXS International Holdings. Therefore, Mr. Lu is considered to have deemed interests in the 373,446,736 Shares. Besides, Mr. Lu was interested in 4,996,000 Shares. As a result, Mr. Lu was interested in 378,442,736 Shares in aggregate. Mr. Lu was also interested in 3,500,000 underlying Shares in respect of the share options granted by the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Lu (i) does not have any interest in the Shares within the meaning of Part XV of the SFO; (ii) does not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company; (iii) does not hold any other positions with the Company and/or its subsidiaries; and (iv) does not hold any directorship in the last three years immediately preceding the Latest Practicable Date in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Save as the above, there is no information which is discloseable nor is Mr. Lu involved in any of the matters required to be disclosed pursuant to any of the requirements under rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Lu that need to be brought to the attention of the Shareholders.

(2) Mr. Xu Lin

Mr. Xu Lin (“Mr. Xu”), aged 59, was appointed as an Executive Director and Executive Vice-chairman of the Company on 1 April 2020. He has been engaged in economic management for a substantial period of time. He was a director of the Taxation Department and the Customs Department of the Ministry of Finance of the People’s Republic of China, vice-minister of the Economic Department of the Liaison Office of the Central People’s Government, minister of the Administration and Finance Department, Hong Kong business development director of CITIC Limited and the chairman of Kaisa Financial Group (Hong Kong) Company Limited. With the exposure to several positions, Mr. Xu has a solid foundation in economic theory and rich experience in management. He is an independent non-executive director of Lamtex Holdings Limited (Stock Code: 1041), the shares of which are listed on the Main Board of the Stock Exchange. He is also the vice president of Guangdong-Hong Kong-Macao Greater Bay Area Entrepreneurs Association (粵港澳灣區企業家聯合會). Mr. Xu was an executive director of Zhaobangji Properties Holdings Limited (stock code: 1660), the shares of which are listed on the Main Board of the Stock Exchange, from October 2019 to March 2020.

Mr. Xu has entered into an appointment agreement with the Company for a term of three years which the appointment agreement can be terminated by either party giving three months’ written notice and is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the Listing Rules. Pursuant to the terms of appointment, Mr. Xu is entitled to an aggregate annual remuneration of HK\$3,200,000. Mr. Xu’s remuneration is recommended by the remuneration committee of the Company and determined by the Board with reference to his duties and responsibilities with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Xu was interested in 3,000,000 underlying Shares in respect of the share options granted by the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Xu (i) does not have any interest in the Shares within the meaning of Part XV of the SFO; (ii) does not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company; (iii) does not hold any other positions with the Company and/or its subsidiaries; and (iv) does not hold any directorship in the last three years immediately preceding the Latest Practicable Date in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Save as the above, there is no information which is discloseable nor is Mr. Xu involved in any of the matters required to be disclosed pursuant to any of the requirements under rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Xu that need to be brought to the attention of the Shareholders.

(3) Mr. Tse Yung Hoi

Mr. Tse Yung Hoi (“Mr. Tse”), aged 67, was appointed as a Non-executive Director of the Company on 8 December 2015 and re-designated to an Independent Non-executive Director of the Company on 16 November 2017. He was also appointed as a member of the audit committee of the Company on 1 May 2019. Mr. Tse graduated from English studies from the department of foreign language of Fudan University in July 1975. He is currently the chairman of BOCI-Prudential Asset Management Limited and serves as Standing Committee Member of The Chinese General Chamber of Commerce, Hong Kong and Permanent Honorary President of Chinese Securities Association of Hong Kong. He was a Member of HKSAR Financial Services Development Council. Mr. Tse is the independent non-executive director of BOCOM International Holdings Company Limited (stock code: 3329), China Tower Corporation Limited (stock code: 788), Guoan International Limited (stock code: 143), HJ Capital (International) Holdings Company Limited (stock code: 982) and Vico International Holdings Limited (stock code: 1621), all companies are listed in Hong Kong. He also serves as an independent non-executive director of Shenzhen Qianhai Financial Holdings Company Ltd. and Banco Well Link, S. A.. Mr. Tse was awarded the Bronze Bauhinia Star (BBS) by the government of HKSAR in 2013.

Mr. Tse has entered into an appointment agreement with the Company for a term of three years which the appointment agreement can be terminated by either party giving one month’s written notice and is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the Listing Rules. Pursuant to the terms of appointment, Mr. Tse is entitled to a director’s fee of HK\$360,000 per annum. Mr. Tse’s remuneration is recommended by the remuneration committee of the Company and determined by the Board with reference to his duties and responsibilities with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Tse was interested in 250,000 underlying Shares in respect of the share options granted by the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Tse (i) does not have any interest in the Shares within the meaning of Part XV of the SFO; (ii) does not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company; (iii) does not hold any other positions with the Company and/or its subsidiaries; and (iv) does not hold any directorship in the last three years immediately preceding the Latest Practicable Date in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Save as the above, there is no information which is discloseable nor is Mr. Tse involved in any of the matters required to be disclosed pursuant to any of the requirements under rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Tse that need to be brought to the attention of the Shareholders.

(4) Mr. Wang Shi

Mr. Wang Shi (“Mr. Wang”), aged 70, was appointed as a Non-executive Director of the Company on 8 December 2015 and re-designated to an Independent Non-executive Director of the Company on 29 November 2019. Mr. Wang is a famous social worker and a cultural critic. He was enlisted in the year of 1968, and has taught at People’s Liberation Army Academy of Art (中國人民解放軍藝術學院) and Peking University (北京大學), lectured on the Form Theory of Art, as well as the Introduction to Art. He started presided over the daily work of the Chinese Culture Promotion Society (中華文化促進會) from 1992, served as deputy secretary general and the secretary general. He is currently the president of Chinese Culture Promotion Society, and a part-time professor at Chinese Academy of Governance (國家行政學院), as well as the honorary chairman of the Silk Road Chamber of International Commerce (絲綢之路國際總商會). Mr. Wang planned the “20th Century Classical Chinese Music” (20世紀華人音樂經典) activities and the compilation of “Twenty-Four Histories” (今注本二十四史). He also organised “Chinese Culture Summit” (中華文化論壇), “Chinese Culture’s Person of the Year Award” (中華文化年度人物), “Cross-Strait Culture Dialogue” (兩岸人文對話) and a number of other major cultural projects. His main works include: Brief Analysis of Literature and Art (文藝簡論), Lu Xun and His Novels (魯迅與他的小說), Wreaths at the Foot of the Mountain (adaptation) (高山下的花環), In That Place Wholly Faraway (在那遙遠的地方) and Dunhuang Tales of the Night (敦煌夜譚).

Mr. Wang has entered into an appointment agreement with the Company for a term of three years which the appointment agreement can be terminated by either party giving one month’s written notice and is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the Listing Rules. Pursuant to the terms of appointment, Mr. Wang is entitled to a director’s fee of HK\$360,000 per annum. Mr. Wang’s remuneration is recommended by the remuneration committee of the Company and determined by the Board with reference to his duties and responsibilities with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Wang was interested in 250,000 underlying Shares in respect of the share options granted by the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Wang (i) does not have any interest in the Shares within the meaning of Part XV of the SFO; (ii) does not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company; (iii) does not hold any other positions with the Company and/or its subsidiaries; and (iv) does not hold any directorship in the last three years immediately preceding the Latest Practicable Date in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Save as the above, there is no information which is discloseable nor is Mr. Wang involved in any of the matters required to be disclosed pursuant to any of the requirements under rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Wang that need to be brought to the attention of the Shareholders.

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 relating to the granting of the Share Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued Share capital of the Company comprised 667,483,230 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back Mandate and on the assumption that no further Shares to be issued or bought-back before the Annual General Meeting, being 667,483,230 Shares, the Directors would be authorised under the Share Buy-back Mandate to buy-back, during the period in which the Share Buy-back Mandate remains in force, a total of 66,748,323 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE BUY-BACK

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

Shares buy-back 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 buy-back will benefit the Company and the Shareholders.

3. FUNDING OF SHARE BUY-BACK

The Company may only apply funds legally available for share buy-back in accordance with its Memorandum of Association and Bye-Laws, the laws of Bermuda and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE BUY-BACK

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 consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back 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 been traded on the Stock Exchange during each of the previous twelve months up to and including the Latest Practicable Date were as follows:

Month	Share Price (per Share)	
	Highest HK\$	Lowest HK\$
2019		
April	3.98	3.50
May	3.98	3.73
June	3.98	3.73
July	6.61	3.92
August	5.84	5.14
September	5.65	4.97
October	5.34	4.71
November	6.83	4.95
December	6.65	5.45
2020		
January	6.67	5.86
February	6.09	5.48
March	6.00	5.12
April (<i>up to the Latest Practicable Date</i>)	5.42	5.10

6. GENERAL

To the best of the Directors' 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 Buy-back 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 Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to buy back Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules, the Bye-Laws and the applicable laws of Bermuda.

7. TAKEOVERS CODE

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

To the best knowledge of the Company, as at the Latest Practicable Date, DTXS International Holdings, the controlling shareholder of the Company was interested in 373,446,736 Shares representing approximately 55.95% of the total issued Share capital of the Company and Mr. Lu, the Chairman and the Executive Director of the Company, is the ultimate controlling shareholder of DTXS International Holdings. Therefore, Mr. Lu is considered to have deemed interests in the 373,446,736 Shares. Besides, Mr. Lu was interested in 4,996,000 Shares representing approximated 0.75% of the total issued Share capital of the Company. As a result, Mr. Lu was interested in 378,442,736 Shares representing 56.70% of the total issued Share capital of the Company. In the event that the Directors exercise the proposed Share Buy-back Mandate in full (if the present Shareholders' interests in Shares remain the same), the aggregate shareholding of Mr. Lu would be increased to approximately 63.00% of the issued Share capital of the Company.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARE BUY-BACK MADE BY THE COMPANY

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



DTXS Silk Road Investment Holdings Company Limited

大唐西市絲路投資控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 620)

NOTICE IS HEREBY GIVEN that the annual general meeting of DTXS Silk Road Investment Holdings Company Limited (the “Company”) will be held at DTXS Hong Kong Art Central Business District, G/F, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 29 May 2020 at 2:30 p.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditor for the year ended 31 December 2019.
2.
 - (a) To re-elect Mr. Lu Jianzhong as an executive director of the Company.
 - (b) To re-elect Mr. Xu Lin as an executive director of the Company.
 - (c) To re-elect Mr. Tse Yung Hoi as an independent non-executive director of the Company.
 - (d) To re-elect Mr. Wang Shi as an independent non-executive director of the Company.
 - (e) To authorise the board of directors to fix the remuneration of the directors of the Company.
3. To re-appoint Ernst & Young as the auditor of the Company and to authorise the board of directors to fix their remuneration.
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

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

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of shares of the Company to be bought-back pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares of the Company that may be bought-back under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same; 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 bye-laws of the Company or any applicable law 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 of the Company in general meeting.”
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally granted 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 authorise 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;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company 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; and
- (iii) any scrip dividend 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 bye-laws of the Company,

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

(d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws 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 of the Company 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 recognised regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of the number of shares of the Company bought-back by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
DTXS Silk Road Investment Holdings Company Limited
Lai Kim Fung
Executive Director and Chief Executive Officer

Hong Kong, 24 April 2020

Notes:

1. Any shareholder of the Company entitled to attend and vote at the meeting (or at any adjournment thereof) is entitled to appoint a proxy/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 appointed, the number of shares of the Company in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder of the Company presents in person or by proxy shall be entitled to one vote for each share of the Company held by him.
2. All resolutions at the meeting will be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the bye-laws of the Company. The results of the poll will be published on the websites of the Company (www.dtxs.com) and Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) in accordance with the Listing Rules.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 2:30 p.m. on Wednesday, 27 May 2020, being 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.

NOTICE OF ANNUAL GENERAL MEETING

4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 26 May 2020 to Friday, 29 May 2020 (both days inclusive) during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the meeting, all completed transfer documents accompanied by the relevant share certificates must be lodged for registration with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Monday, 25 May 2020.
5. A circular containing further details concerning items 2, 4, 5 and 6 set out in the Notice will be sent to all shareholders of the Company together with the annual report for the year ended 31 December 2019.

As at the date of the Notice, the board of directors of the Company comprises five Executive Directors, namely Mr. Lu Jianzhong (Chairman), Mr. Xu Lin (Executive Vice-chairman), Mr. Yang Xingwen, Mr. Lai Kim Fung (Chief Executive Officer) and Mr. Wong Kwok Tung Gordon Allan (Deputy Chief Executive Officer); two Non-executive Directors, namely Mr. Jean-Guy Carrier and Dr. Cheng Kar-Shun, Henry; and four Independent Non-executive Directors, namely Mr. Cheng Yuk Wo, Mr. Tsui Yiu Wa, Alec, Mr. Tse Yung Hoi and Mr. Wang Shi.