



CHINA HONGXING SPORTS LIMITED

(Company Registration Number: 36746)
(Incorporated in Bermuda)

NOTICE OF SPECIAL GENERAL MEETING

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning as used in the circular dated 2 March 2018 issued by China Hongxing Sports Limited (the "Circular").

NOTICE IS HEREBY GIVEN that a Special General Meeting of **CHINA HONGXING SPORTS LIMITED** (the "Company") will be held on 28 March 2018 at 9.30 a.m. at RELC International Hotel, Auditorium, 30 Orange Grove Road, Singapore 258352, for the purpose of considering and, if thought fit, passing the following resolutions:

Shareholders should note that each of Resolutions 1, 2 and 3 are inter-conditional (the "Inter-Conditional Resolutions") as they are integral parts of the same transaction, namely the Proposed Disposal. This means that if any of the Inter-Conditional Resolutions is not passed, the other Inter-Conditional Resolutions will not be passed.

ORDINARY RESOLUTION 1: THE PROPOSED DISPOSAL OF THE ENTIRE SHARE CAPITAL OF PROFITSTART GROUP LIMITED AS A MAJOR TRANSACTION AND AN INTERESTED PERSON TRANSACTION

That contingent upon the satisfaction of any applicable regulatory approvals and/or statutory requirements:

- (1) the Proposed Disposal, on the terms and subject to the conditions set out in the SPA Documents, being a major transaction and an interested person transaction for the purposes of Chapter 10 and Chapter 9 of the Listing Manual respectively, be and is hereby confirmed and approved; and
- (2) any of the Directors be and is hereby authorised to complete and do all such acts and things (including but not limited to approving, amending, modifying, supplementing and executing all such documents as may be required), as he may consider necessary, desirable, expedient or in the interests of the Company to give effect to this Ordinary Resolution and/or the Proposed Disposal as he may deem fit.

SPECIAL RESOLUTION 2: THE PROPOSED BYE-LAW AMENDMENT

That contingent upon the satisfaction of any applicable regulatory approvals and/or statutory requirements:

- (1) the deletion of the existing Bye-law 138 of the Bye-laws of the Company in its entirety, and the substitution of the following new Bye-law 138 therefor:

"138. No dividend shall be paid or distribution made if to do so would render the Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities."

be and is hereby confirmed and approved; and

- (2) any of the Directors be and is hereby authorised to complete and do all such acts and things (including but not limited to approving, amending, modifying, supplementing and executing all such documents as may be required), as he may consider necessary, desirable, expedient or in the interests of the Company to give effect to this Special Resolution and/or the Proposed Bye-law Amendment as he may deem fit.

SPECIAL RESOLUTION 3: THE PROPOSED CAPITAL REORGANISATION

That contingent upon and subject to Special Resolution 2 being passed, and the satisfaction of any applicable regulatory approvals and/or statutory requirements:

- (1) the reduction of the share premium account of the Company from RMB2,978,708,000 (equivalent to approximately S\$595,741,600) to RMB2,956,308,000 (equivalent to approximately S\$591,261,600), by cancelling the sum of RMB22,400,000 (equivalent to approximately S\$4,480,000) standing to the credit of the share premium account as at 30 September 2017 (the "Share Premium Reduction") with effect from such date as the Directors may determine in accordance with the Bermuda Companies Act, be and is hereby confirmed and approved;
- (2) subject to the Share Premium Reduction taking effect, the transfer of the resulting credit arising from the Share Premium Reduction in the amount of RMB22,400,000 (equivalent to approximately S\$4,480,000) to the contributed surplus account of the Company, and the utilisation of the amount of RMB22,400,000 (equivalent to approximately S\$4,480,000) towards a cash distribution from the balance of the contributed surplus account of the Company to the Shareholders (save for the Wu Family) as at a books closure date to be determined by the Directors, be and is hereby confirmed and approved; and
- (3) any of the Directors be and is hereby authorised to complete and do all such acts and things (including but not limited to approving, amending, modifying, supplementing and executing all such documents as may be required), as he may consider necessary, desirable, expedient or in the interests of the Company to give effect to this Special Resolution and/or the Proposed Capital Reorganisation as he may deem fit.

By order of the Board

Madelyn Kwang Yeit Lam

Company Secretary

2 March 2018

NOTES:

- (1) Other than CDP, every member entitled to attend and vote at the SGM is entitled to appoint one (1) or two (2) proxies to attend and vote on his behalf. A proxy need not be a member.
- (2) The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a body corporate, signed by an attorney duly authorised, or by an officer on behalf of the corporation, or the common seal must be affixed thereto. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a notarially/duly certified copy thereof (failing previous registration with the Company) must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- (3) Completion and delivery of the Shareholder Proxy Form shall not preclude a member from attending and voting in person at the SGM and in such event, the Shareholder Proxy Form shall be deemed to be revoked.
- (4) A Depositor holding Shares through CDP and whose name appears in the Depository Register who wishes to attend and vote at the SGM may do so as CDP's proxy. Such a Depositor who is not an individual and such a Depositor who is an individual and who is unable to attend the SGM personally but wishes to appoint a nominee to attend and vote on his behalf as CDP's proxy should complete the Depositor Proxy Form.
- (5) The instrument appointing a proxy must be deposited at the office of the Company's share transfer agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time set for the SGM or any adjournment thereof.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the SGM and/or any adjournment thereof, a member, or as the case may be, a Depositor (a) consents to the collection, use and disclosure of the member's, or as the case may be, the Depositor's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the SGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the SGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes"), (b) warrants that where the member, or as the case may be, the Depositor, discloses the personal data of the member's, or as the case may be, the Depositor's, proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member, or as the case may be, the Depositor, has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member, or as the case may be, the Depositor will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's, or as the case may be, the Depositor's breach of warranty.