



中國恒有源發展集團有限公司
CHYY DEVELOPMENT GROUP LIMITED

(the “Company”)
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8128)

PROCEDURES FOR NOMINATION OF DIRECTORS BY SHAREHOLDERS

1. Pursuant to Rule 17.50C of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the Company sets out these procedures to provide shareholders of the Company (the “**Shareholder(s)**”) with detailed procedures by which they can use for nominating a person for election as a director of the Company (“**Director(s)**”).
2. According to Article 86 of the Third Amended and Restated Articles of Association of the Company (the “**Articles**”), no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.
3. Accordingly, if a Shareholder wishes to nominate a person (the “**Proposed Candidate**”) to stand for election as a Director at a general meeting of the Company, the following documents must be validly served to the Board or the Company Secretary of the Company at the Company’s principal place of business in Hong Kong at 8/F., Chung Hing Commercial Building, 62-63 Connaught Road Central, Central, Hong Kong:
 - a. a written notice signed by the Shareholder(s), who is/are duly qualified to attend and vote at the meeting, of his/her intention to propose the Proposed Candidate for election as a Director; and
 - b. a written notice signed by the Proposed Candidate of his/her willingness to be elected as a Director together with (i) the biographical details of the Proposed Candidate as required under Rule 17.50(2) of the GEM Listing Rules; (ii) the Proposed Candidate’s written consent to the publication of his/her personal information; and (iii) contact details, including address and telephone number, of the Proposed Candidate.

As stipulated in Article 86 of the Articles, the minimum length of the period, during which Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

4. In order to allow the Company to inform the Shareholders of the proposal and to enable the Shareholders to make an informed decision on their election at a general meeting, the written notice must state the full name of the Proposed Candidate and include his/her biographical details as required under Rule 17.50(2) of the GEM Listing Rules, as amended from time to time, as published on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the Proposed Candidate's written consent to the publication of his/her personal data.
5. Upon receipt of the written notices from the Shareholder(s) to propose the Proposed Candidate(s) at the general meeting, the Company will then publish an announcement in accordance with the requirements under the GEM Listing Rules or issue a supplementary circular. The particulars of the Proposed Candidate will be included in the announcement or supplementary circular of the Company.

(If there is any inconsistency between the English version and the Chinese version, the English version shall prevail.)