

## IMPORTANT

**If you are in any doubt** about this circular or as to the action to be taken, you should consult your 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 China Graphene Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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中國烯谷集團有限公司

China Graphene Group Limited

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 63)**

**GENERAL MANDATES TO ISSUE AND  
TO REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of China Graphene Group Limited (the “Company”) to be held at Boardroom 6, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 15 June 2017 at 10:30 a.m. (the “AGM”) is set out on pages 13 to 16 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy and return it to the Company’s branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof should you so wish.

27 April 2017

<b>CONTENTS</b>
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	<i>Page</i>
<b>DEFINITIONS .....</b>	<b>1</b>
<b>LETTER FROM THE BOARD .....</b>	<b>3</b>
<b>APPENDIX I — EXPLANATORY STATEMENT OF THE SHARE REPURCHASE MANDATE .....</b>	<b>7</b>
<b>APPENDIX II — PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION .....</b>	<b>10</b>
<b>NOTICE OF ANNUAL GENERAL MEETING .....</b>	<b>13</b>

## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Boardroom 6, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on 15 June 2017 at 10:30 a.m. to consider and, if appropriate, to approve the resolutions as set out in the notice of AGM;
“Board”	the board of Directors;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“Bye-Laws”	the bye-laws of the Company currently in force with any amendments thereto from time to time;
“Company”	China Graphene Group Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange;
“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;
“Issue Mandate”	the proposed issue mandate to be granted to the Directors to allot, issue and deal with Shares not exceeding 20 per cent. of the total number of issued Shares of the Company as at the date of passing the resolution for approving the issue mandate;
“Latest Practicable Date”	21 April 2017, being the latest practicable date prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Repurchase Mandate”	the proposed repurchase mandate to be granted to the Directors to exercise the power of the Company to repurchase Shares not exceeding 10 per cent. of the total number of issued Shares of the Company as at the date of passing the resolution for approving the repurchase mandate;

<b>DEFINITIONS</b>
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“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Share(s)”	ordinary shares of HK\$0.05 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Codes on Takeovers and Mergers; and
“%”	per cent.



中國烯谷集團有限公司

China Graphene Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 63)

*Executive directors:*

Mr. Yuan Li Min (*Chief Executive Officer*)

Mr. Chen Meng

Mr. Mak Tin Sang

*Non-executive director:*

Mr. Li Feng Mao (*Chairman*)

*Independent non-executive directors:*

Mr. Leung Po Hon

Mr. Li Jing Bo

Mr. Shigeki Tanaka

*Principal place of business  
in Hong Kong:*

Rooms 1904–1916

19/F., Sun Hung Kai Centre

30 Harbour Road, Wanchai

Hong Kong

27 April 2017

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND  
TO REPURCHASE SHARES,  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

At the AGM, ordinary resolutions will be proposed to approve (i) the grant of the Issue Mandate to the Directors; (ii) the grant of the Repurchase Mandate to the Directors; (iii) the extension of the Issue Mandate; and (iv) the re-elections of the retiring Directors.

This circular contains the explanatory statement and gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions to be proposed to approving the Company to issue and to repurchase Shares and to re-elect the retiring Directors.

## LETTER FROM THE BOARD

### 2. GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the general meeting of the Company held on 27 May 2016, ordinary resolutions were passed by the Shareholders granting the existing Issue Mandate and Repurchase Mandate to the Directors. Such mandates will expire at the conclusion of the forthcoming AGM.

It will be proposed at the AGM to approve the grant of new general mandates to the Directors:

- (a) to allot, issue and deal with additional Shares not exceeding 20% of the total number of issued Shares of the Company, which is equivalent to issue a maximum of 563,820,416 Shares, assuming that there is no change in the total number of issued Shares of the Company from the Latest Practicable Date up to the date of the AGM, at the date of the passing of such resolution.
- (b) to repurchase Shares subject to the maximum number of Shares of up to 10% of the total number of issued Shares of the Company, which is equivalent to a maximum of 281,910,208 Shares, assuming that there is no change in the total number of issued Shares of the Company from the Latest Practicable Date up to the date of the AGM, at the date of passing of such resolution.

The fresh Issue Mandate and Repurchase Mandate, if granted, will remain in effect until 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 to be held by Bye-laws or any applicable laws of Bermuda or the Listing Rules; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

### 3. EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

Subject to and conditional on the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the total number of issued Shares of the Company, which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandates, the number of the Shares repurchased by the Company pursuant to the Repurchase Mandate, provided that such extended amount shall not exceed 10% of the total number of issued Shares of the Company on the date of passing the resolution for approving the Issue Mandate.

## LETTER FROM THE BOARD

### **4. RE-ELECTION OF RETIRING DIRECTORS**

In relation to ordinary resolution number 2 set out in the notice of the AGM regarding the re-election of retiring Directors, Mr. Yuan Li Min, Mr. Mak Tin Sang and Mr. Leung Po Hon shall retire as Directors by rotation at the AGM pursuant to Bye-law 87(1) and, being eligible, will offer themselves for re-election.

Particulars of the aforesaid Directors standing for re-election are set out in Appendix II to this circular.

### **5. LISTING RULES REQUIREMENT**

According to rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, the chairman of the AGM will therefore demand a poll for every resolution put to the vote at the AGM pursuant to Bye-law 66.

### **6. ANNUAL GENERAL MEETING**

The notice of the AGM is set out on pages 13 to 16 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate and the re-election of retiring Directors.

A form of proxy for use at the AGM is enclosed with this circular. In order to be valid, the form of proxy must be completed, signed and returned to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time appointed for holding the AGM or adjourned meeting. The completion and return of the form of proxy will not preclude you from attending and voting at the AGM or adjourned meeting (as the case may be) should you so wish.

### **7. RESPONSIBILITY STATEMENT**

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

<b>LETTER FROM THE BOARD</b>
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**8. RECOMMENDATION**

The Directors consider that the grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate and the re-election of retiring Directors are all in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

By Order of the Board of  
**China Graphene Group Limited**  
**Mak Tin Sang**  
*Executive Director*



*The following explanatory statement contains all the information required to be provided to all Shareholders pursuant to Rule 10.06 of the Listing Rules relating to the resolution to be proposed at the AGM authorising the Repurchase Mandate.*

### **1. EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, the total number of issued Shares of the Company was 2,819,102,084 Shares. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to repurchase up to 281,910,208 Shares (being 10% of the Shares in issue) during the period up to (i) 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 or any applicable law of Bermuda to be held; or (iii) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

### **2. REASONS FOR REPURCHASE**

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchases when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings per Share.

### **3. FUNDING OF REPURCHASES**

The Company is empowered by its Bye-laws to purchase its Shares. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of the fund of the Company that would otherwise be legally available for dividend or distribution or out of the share premium accounts of the Company for such purpose under the laws of Bermuda. Under Bermuda law, the shares so repurchased will be treated as cancelled but the total number of authorised Shares will not be reduced so that the shares may be subsequently re-issued.

In addition, the Company Act 1981 of Bermuda (as amended) provides that a company may not repurchase its shares if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the Company is, or after the repurchase would be, unable to pay its liabilities as they become due.

**4. IMPACT ON WORKING CAPITAL OR GEARING LEVEL**

As compared with the financial position of the Company as disclosed in its most recent published audited consolidated accounts as at 31 December 2016, the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed Repurchase Mandate were to be exercised in full during the proposed purchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

**5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), has any present intention, in the event that the repurchase proposal is granted by the Shareholders, to sell any Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) of the Company has notified the Company of a present intention to sell any Shares to the Company or its subsidiaries, or has undertaken not to do so in the event that the Repurchase Mandate is granted by the Shareholders.

**6. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that they will exercise the power to make repurchases of Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws of Bermuda, and in accordance with the regulations set out in the Bye-laws.

**7. EFFECT OF TAKEOVERS CODE**

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code.

As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) 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 at the Latest Practicable Date, according to the register of members kept by the Company pursuant to section 336 of the SFO and so far as was known to, or could be ascertained after reasonable enquiry by, the Directors, HK Guoxin Investment Group Limited was interested in approximately 74.93% of the issued share of the Company. HK Guoxin Investment Group Limited is a controlled corporation of Mr. Li Feng Mao, the Chairman of the Company.

Assuming that HK Guoxin Investment Group Limited will not dispose of its interests in the Shares nor will it acquire additional Shares, if the Repurchase Mandate was exercised in full, the percentage shareholding of HK Guoxin Investment Group Limited would be increased to approximately 83.25% of the issued share of the Company.

On the basis of the shareholding interests of HK Guoxin Investment Group Limited in the Company, an exercise of the Repurchase Mandate in full would not result in it becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. Save as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code as a consequence of any purchases made pursuant to the Repurchase Mandate.

## **8. SHARE REPURCHASE MADE BY THE COMPANY**

The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

## **9. SHARE PRICES**

During each of the previous twelve months, the highest and lowest prices at which the Shares were traded on the Stock Exchange were as follows:

<b>Months</b>	<b>Per Share</b>	
	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2016</b>		
April	0.5100	0.4250
May	0.5100	0.4250
June	0.4900	0.4500
July	0.5400	0.4700
August	0.7600	0.5100
September	0.9600	0.7100
October	0.8600	0.7100
November	0.7500	0.6100
December	0.6400	0.5100
<b>2017</b>		
January	0.5800	0.4700
February	0.5800	0.4950
March	0.6300	0.4700
April (Up to the Latest Practicable Date)	0.5100	0.4800

The biographical and other details of the retiring Directors standing for re-election at the AGM as required by the Listing Rules are set out below:

**Mr. Yuan Li Min**

*Executive Director*

**Mr. Yuan Li Min** (“**Mr. Yuan**”), aged 57, was appointed as an executive director and the Chief Executive Officer of the Company on 6 November 2015 and then was appointed as the Deputy Chairman of the Company on 27 November in the same year. He has more than 30 years’ valuable experience in the capital, investment and financial analysis, and handled more than 15 listing and fund raising projects in China. Mr. Yuan is a senior business analyst with American Etech Securities Inc.. Mr. Yuan was the non-executive director and chairman of Asia Fashion Holdings Limited, a company listed on the main board of the Singapore Stock Exchange, during the period from December 2013 to October 2015. He was the general manager of the CAD Company of the China Ministry of Aerospace from 1987 to 1998 and was an analyst with the Beijing Government’s Finance office from 1982 to 1985. Mr. Yuan graduated with a Bachelor Degree in Finance at the Beijing Institute of Technology. He is also a director of certain subsidiaries of the Company.

Mr. Yuan entered into a service agreement with the Company in relation to his appointment as an executive Director for a term of three years commencing on 6 November 2015 which is determinable by either party serving on the other three months’ written notice, subject to retirement by rotation and re-election in accordance with the Bye-laws and the Listing Rules. Mr. Yuan is entitled to a salary in the total sum of HK\$8 million annually, which was determined with reference to the prevailing market conditions and his roles and responsibilities in the Group.

Save as disclosed herein and as at the Latest Practicable Date, Mr. Yuan does not hold any position in the Company or any of its subsidiaries nor have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company; any directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the past three years or other major appointments and professional qualifications and does not have, and is not deemed to have, any interests in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

**Mr. Mak Tin Sang**

*Executive Director*

**Mr. Mak Tin Sang** (“**Mr. Mak**”), aged 60, was appointed as an executive director of the Company on 6 November 2015. Mr. Mak has relevant professional knowledge and abundance experience in financial management, audit and accounting. Mr. Mak was an executive director and the CEO of Asia Fashion Holdings Limited, a company listed on the main board of the Singapore Stock Exchange, from May 2015 to June 2016, and was subsequently re-designated as the executive director and the CFO of that company up to now. Previously, Mr. Mak joined Singapore Catalyst-listed Armarda Group Limited as the CFO in 2004 and was appointed as an executive director in June 2013. Mr. Mak was the CFO of another Singapore main board listed company LottVision Limited between August 2001 and September 2003. Mr. Mak holds a

Master's Degree in Business Administration awarded by the University of Sheffield, U.K.. He is also a fellow member of the United Kingdom Chartered Association of Certified Accountants and an associate member of the Australian Certified Management Accountants. He is also a director of certain subsidiaries of the Company.

Mr. Mak entered into a service agreement with the Company in relation to his appointment as an executive Director for a term of three years commencing on 6 November 2015 which is determinable by either party serving on the other three months' written notice, subject to retirement by rotation and re-election in accordance with the Bye-laws and the Listing Rules. Mr. Mak is entitled to a salary in the total sum of HK\$3 million annually, which was determined with reference to the prevailing market conditions and his roles and responsibilities in the Group.

Save as disclosed herein and as at the Latest Practicable Date, Mr. Mak does not hold any position in the Company or any of its subsidiaries nor have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company; any directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the past three years or other major appointments and professional qualifications and does not have, and is not deemed to have, any interests in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

**Mr. Leung Po Hon**

*Independent non-executive Director*

**Mr. Leung Po Hon** ("Mr Leung"), aged 53, was appointed as an independent non-executive director of the Company on 6 November 2015 and was then appointed as the Chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee of the Company on 27 November in the same year. Mr. Leung has more than 25 years of experience in accounting, auditing and financial management, he is currently a practicing certified public accountant. Mr. Leung has served as an independent non-executive director of Kingbo Strike Limited (Stock Code: 1421) since 13 November 2015 and up to now. He was also the independent non-executive director of China Investment Fund International Holdings Limited (formerly known as China Investment Fund Company Limited) (Stock Code: 0612) and Success Dragon International Holdings Limited (Stock Code: 1182), and then resigned and retired respectively in 2016. The aforesaid companies are listed on the main board of the Stock Exchange of Hong Kong Limited. Mr. Leung has also served as an independent non-executive director of Flying Financial Service Holdings Limited (Stock Code: 8030) since August 2014 and Medinet Group Limited (Stock Code: 8161) since 19 May 2016 up to now. The aforesaid companies are listed on the Growth Enterprise Market of the Stock Exchange Hong Kong Limited. Mr. Leung graduated and obtained a Professional Diploma in accountancy from the Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University). He then obtained a Master Degree in Business Administration from the University of Bradford of the United Kingdom. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountant and a fellow member of the Chartered Certified Accountants.

Mr. Leung has entered into a letter of appointment with the Company in relation to his appointment as an independent non-executive Director for a term of three years commencing on 6 November 2015 which is determinable by either party serving on the other not less than one month's written notice, subject to retirement by rotation and re-election in accordance with the Bye-laws and the Listing Rules. Mr. Leung is entitled to a salary in the total sum of HK\$400,000 annually, which was determined with reference to the prevailing market conditions and his roles and responsibilities in the Group.

Save as disclosed herein and as at the Latest Practicable Date, Mr. Leung does not hold any position in the Company or any of its subsidiaries nor have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company; any directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the past three years or other major appointments and professional qualifications and does not have, and is not deemed to have, any interests in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Mr. Leung has confirmed that he meets the independence criteria as set out in Rule 3.13 of the Listing Rules.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders in relation to the re-elections of Mr. Yuan, Mr. Mak and Mr. Leung respectively.

## NOTICE OF ANNUAL GENERAL MEETING



中國烯谷集團有限公司

China Graphene Group Limited

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 63)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the Company will be held at Boardroom 6, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong, Hong Kong on 15 June 2017 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and the auditor for the year ended 31 December 2016.
2. To re-elect the retiring directors and to authorise the board of directors to fix the remuneration of the directors of the Company.
3. To re-appoint auditors to hold office from the conclusion of the Annual General Meeting until the conclusion of the next annual general meeting and to authorise the board of directors to fix their remuneration.

As special business, to consider, and if though fit, to pass the following resolutions:

### ORDINARY RESOLUTIONS

4. “**THAT**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which 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 (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of the subscription rights under the share option scheme or similar arrangement adopted by the Company; or (iii) the exercise of rights of subscription or conversion under the terms of any warrants or any securities, which carry rights to subscribe for or are convertible into shares of the Company, issued by the Company; or (iv) an issue of shares as scrip dividends pursuant to the Bye-laws of the Company from time to time shall not exceed 20% of the aggregate number of issued Shares of the Company as at the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of 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 of Bermuda to be held; and
- (iii) the revocation or variation of this resolution 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 of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the law of, or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company).”

### 5. **“THAT**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;



## NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate number of shares of the Company repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate number of issued Shares of the Company in issue as at the date of passing of this resolution and the said approval be limited accordingly; and

(c) for the purposes of this resolution:

“Relevant Period” means the period from the date of 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 of Bermuda to be held; and

(iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. “**THAT** conditional upon resolution nos. 4 and 5 above being passed, the aggregate number of Shares which are repurchased by the Company under the authority granted to the directors of the Company as mentioned in resolution no. 5 above shall be added to the aggregate number of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no. 4 above.”

By Order of the Board of  
**China Graphene Group Limited**  
**Yuen Wing Kwan**  
*Company Secretary*

Hong Kong, 27 April 2017

*Notes:*

- (1) The register of members of the Company will be closed from 12 June 2017 to 15 June 2017, both days inclusive, for the purpose of establishing entitlement of shareholders to vote at the meeting. During this period, no transfer of shares will be effected. All transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on 9 June 2017 not later than 4:30 p.m. (Hong Kong time).
- (2) A shareholder of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.

## **NOTICE OF ANNUAL GENERAL MEETING**

- (3) To be valid, the proxy form together with any power of attorney or other authority (if any) under which it is signed or notarially certified copy thereof must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM (i.e. no later than 13 June 2017 at 10:30 a.m. (Hong Kong time)) or any adjournment thereof.
- (4) Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the annual general meeting or any adjournment.