
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 Asia Valley 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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CHINA ASIA VALLEY GROUP LIMITED

中亞烯谷集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 63)

**(1) RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
ISSUE NEW SHARES AND TO REPURCHASE SHARES;
(3) PROPOSED ADOPTION OF NEW BYE-LAWS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of China Asia Valley Group Limited (the "Company") to be held at Flat A5, Zhong Ya Gui Gu Hai An, Shajing, Bao'an District, Shenzhen, the People's Republic of China on 30 May 2022 at 11:00 a.m. (the "AGM") is set out on pages 43 to 47 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 share 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.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the AGM:

- (1) Compulsory temperature screening/checks
- (2) Submission of Health Declaration Form
- (3) Wearing of surgical face mask
- (4) No provision of refreshments or drinks

Attendees who do not comply with the precautionary measures referred to in (1) to (3) above may be denied entry to the AGM venue, at the absolute discretion of the Company as permitted by law.

For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy and to return their proxy forms by the time specified above, instead of attending the AGM in person.

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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 Flat A5, Zhong Ya Gui Gu Hai An, Shajing, Bao’an District, Shenzhen, the People’s Republic of China on 30 May 2022 at 11:00 a.m. to consider and, if appropriate, to approve the resolutions as set out in the notice of AGM;
“Board”	the board of Directors;
“Company”	China Asia Valley 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;
“Existing Bye-laws”	the existing bye-laws of the Company currently in force;
“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;
“Latest Practicable Date”	14 April 2022, 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;
“New Bye-laws”	the amended and restated bye-laws of the Company incorporating the proposed amendments to be adopted by the Shareholders at the AGM as set out in Appendix III to this circular;
“PRC”	the People’s Republic of China;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);

DEFINITIONS

“Share(s)”	ordinary shares of HK\$0.05 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and otherwise 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 4 of the notice of the AGM as set out on pages 44 and 45 of this circular;
“Share Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase Shares on the Stock Exchange or any other stock exchange of which the Shares may be listed and which is recognized by the Securities and Futures Commission and 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 5 of the notice of the AGM as set out on pages 45 and 46 of this circular;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Code on Takeovers and Mergers, as amended from time to time; and
“%”	per cent.

LETTER FROM THE BOARD



CHINA ASIA VALLEY GROUP LIMITED

中亞烯谷集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 63)

Executive directors:

Mr. Huang Binghuang (*Chairman and
Chief Executive Officer*)

Ms. Xia Ping

Non-executive director:

Ms. Wang Lijiao

Independent non-executive directors:

Mr. Duan Rihuang

Mr. Wang Rongfang

Mr. Tso Sze Wai

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of

business in Hong Kong:

Rooms 1237-1240
12/F., Sun Hung Kai Centre
30 Harbour Road, Wanchai
Hong Kong

25 April 2022

To the Shareholders

Dear Sir or Madam,

**(1) RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
ISSUE NEW SHARES AND TO REPURCHASE SHARES;
(3) PROPOSED ADOPTION OF NEW BYE-LAWS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the AGM, certain resolutions will be proposed to inter alia, approve (i) the re-election of the retiring Directors; (ii) the granting of the Share Issue Mandate and the Share Repurchase Mandate respectively; and (iii) the adoption of the New Bye-laws.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Company's Bye-law 87(1), Ms. Xia Ping and Mr. Duan Rihuang will retire from office by rotation, and being eligible, offer themselves for re-election as Director at the forthcoming AGM. In accordance with the Company's Bye-law 86(2), any Director appointed to fill a casual vacancy shall hold office until the first general meeting after his appointment and be subject to re-election at such meeting. Therefore, Mr. Tso Sze Wai and Mr. Wang Rongfang retire from office in the forthcoming AGM, and being eligible, offer themselves for re-election at the forthcoming AGM.

The nomination committee and the Board, after taking into account the nomination policy and board diversity policy of the Company, are of the view that the proposed re-election of Mr. Duan Rihuang, Ms. Xia Ping, Mr. Tso Sze Wai and Mr. Wang Rongfang are beneficial to the Board as the Company would be able to enjoy their comprehensive business experience that contributes to the expertise, continuity and stability of the Board. The Company has benefited from their contribution and valuable insights. The nomination committee believes that each of Mr. Duan Rihuang, Ms. Xia Ping, Mr. Tso Sze Wai and Mr. Wang Rongfang will continue to contribute effectively to the Board and thus recommended re-election of the aforesaid retiring Directors to the Board.

The nomination committee of the Company and the Board had assessed and reviewed the annual written confirmation of independence of Mr. Duan Rihuang, Mr. Tso Sze Wai and Mr. Wang Rongfang and considered that they satisfied all the independence criteria as set out in Rule 3.13 of the Listing Rules.

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

3. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE NEW SHARES

At the AGM, an ordinary resolution will be proposed to grant to the Directors a general mandate to allot, issue and otherwise deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed resolution to approve this Share Issue Mandate.

The Share Issue Mandate will, if granted, remain effective 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 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 passing of an ordinary resolution of the Shareholders in general meeting.

LETTER FROM THE BOARD

In addition, if the Share Issue Mandate and Share Repurchase Mandate are granted, a separate ordinary resolution will be proposed at the AGM to increase the number of Shares which may be allotted and issued under the Share Issue Mandate by the number of Shares repurchased under the Share Repurchase Mandate (up to a maximum of 10% of the total number of issued Shares of the Company as at the date of the grant of the Share Issue Mandate).

As at the Latest Practicable Date, there were 2,819,102,084 Shares in issue. Subject to the passing of the relevant ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the date of the AGM, the Company would be authorised under the Share Issue Mandate to issue up to a maximum of 563,820,416 Shares.

4. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will also be proposed to grant to the Directors a general mandate to repurchase Shares up to 10% of the total number of issued Shares of the Company as at the date of passing of the proposed resolution to approve this Share Repurchase Mandate (i.e. a total of 281,910,208 Shares on the basis that no further Shares are issued or repurchased prior to the date of the AGM).

The Share Repurchase Mandate will, if granted, remain effective 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 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 passing of an ordinary resolution of the Shareholders in general meeting.

An explanatory statement in relation to the Share Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

5. ADOPTION OF NEW BYE-LAWS

Reference is made to the announcement of the Company dated 8 April 2022 in relation to the adoption of the New Bye-laws.

In order to (i) bring the Existing Bye-laws in line with the relevant requirements of the Listing Rules (in particular the core standards set out in Appendix 3 thereto) and the laws of Bermuda; and (ii) make other consequential and housekeeping amendments to the Existing Bye-laws, the Board resolved to seek approval of the Shareholders at the AGM to adopt the New Bye-laws, in substitution for, and to the exclusion of, the Existing Bye-laws.

A summary of the areas under the Existing Bye-laws which will be subject to material change is set out below:

1. to reflect the changes of names of the Company;
2. to provide that the Company must hold an annual general meeting in each financial year and such annual general meeting must be held within six months after the end of the Company's financial year;
3. to provide that meeting of members or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting;
4. to provide that an annual general meeting of the Company must be called by notice of not less than twenty-one clear days, while all other general meetings (including a special general meeting or a special meeting at which the passing of a special resolution is to be considered) must be called by notice of not less than fourteen clear days but if permitted by the Listing Rules;
5. to provide that all Shareholders shall have the right to (i) speak at a general meeting of the Company; and (ii) vote at a general meeting of the Company, except where a Shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration;

LETTER FROM THE BOARD

6. to provide that any Director appointed by the Board to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office until the next following annual general meeting of the Company after his appointment and shall then be eligible for re-election;
7. to update the provision providing the circumstances under which a Director is not prohibited from voting (or being counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, in accordance with the requirements under the Listing Rules, following the repeal of the relevant requirements in Appendix 3 to the Listing Rules;
8. to provide that the Shareholders may approve the removal of the auditor of the Company at any time before the expiration of his term of office by way of an extraordinary resolution;
9. to update the provision regarding the appointment of the auditor of the Company to fill any casual vacancy in the office of the auditor of the Company that any such auditor appointed shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Shareholders; and
10. to update and tidy up definitions and other references, and to make consequential amendments in line with the above amendments and other house-keeping amendments.

Please refer to Appendix III to this circular for the full particulars of the proposed amendments to the Existing Bye-laws brought about by the New Bye-laws (showing changes to the Existing Bye-laws).

The legal advisers of the Company as to the laws of Hong Kong have confirmed to the Company that the New Bye-laws conform with the relevant parts of Appendix 3 to the Listing Rules; and the legal advisers of the Company as to the laws of Bermuda have confirmed to the Company that the New Bye-laws do not violate the laws of Bermuda. In addition, the Company has confirmed to the Stock Exchange that there is nothing unusual about the New Bye-laws for a company listed in Hong Kong.

The proposed adoption of the New Bye-laws is subject to the approval of the Shareholders by way of a special resolution at the AGM.

LETTER FROM THE BOARD

6. LISTING RULES REQUIREMENT

In accordance with 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 of the Company's Bye-laws.

7. ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 43 to 47 of this circular.

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, Wanchai, 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.

8. 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.

LETTER FROM THE BOARD

9. RECOMMENDATION

The Directors consider that the (i) re-election of retiring Directors, (ii) the granting of the Share Issue Mandate and Share Repurchase Mandate; (iii) the re-appointment of auditor and (iv) the adoption of the New Bye-laws 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 Asia Valley Group Limited
Huang Binghuang
Chairman and Chief Executive Officer

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

Ms. Xia Ping

Ms. Xia Ping (“Ms. Xia”), aged 50, was appointed an executive Director and a member of the Remuneration Committee on 30 September 2019. Ms. Xia graduated from the East China University of Technology, Fuzhou Normal University* (東華理工大學撫洲師範學院), majoring in Chinese Language and Literature in 1992 and the China Central Radio and TV University* (中央廣播電視大學) in the PRC majoring in Chinese Language and Literature in 2005 and obtained the qualification of intermediate accountant issued by the Ministry of Finance of the PRC in 2006. She is the executive president of Shenzhen Haogang Zhongya Electronic City Group Co., Ltd.* (深圳市坐崗中亞電子城集團股份有限責任公司). Besides, Ms. Xia also acts as an executive director of Zhongya Daye Industrial Park Management Co., Ltd.* (中亞大冶產業園管理有限公司), a director of Shenzhen Zhongya Film Industry Co., Ltd.* (深圳市中亞影視產業有限公司) and a supervisor of Shenzhen Zhongya Film Industry Co., Ltd.* (中亞視界科技(深圳)有限公司). Ms. Xia is also a director of various subsidiaries of the Company.

There is a service contract entered into between the Company and Ms. Xia on 20 April 2021, pursuant to which her appointment is for a term of three years commencing from 1 May 2021 (which shall continue for further successive periods until terminated by either party giving at least two (2) months’ notice) but is subject to retirement by rotation and re-election at annual general meetings in accordance with the Listing Rules and the bye-laws of the Company. Ms. Xia is entitled to receive an annual remuneration of HK\$500,000. Ms. Xia remuneration was determined with reference to her experience, responsibility, market conditions and the Company’s remuneration policy, and was recommended by the remuneration committee of the Company and approved by the Board.

Save as disclosed herein and as at the Latest Practicable Date, Ms. Xia did not hold any position in the Company or any of its subsidiaries nor had 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. Ms. Xia did not have, and was not deemed to have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.5 1(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.

Mr. Duan Rihuang

Mr. Duan Rihuang (“Mr. Duan”), aged 64, was appointed as an independent non-executive Director and a member of the Remuneration Committee, the Nomination Committee and the Audit Committee on 12 June 2020. Mr. Duan has over 26 years of experience in the managerial field. From 1987 to 1991, Mr. Duan held the position of the general manager of Jiangxi Liancheng Tourism Rental Company Limited* (江西聯城旅遊出租有限公司). During the period from 1992 to 1998, Mr. Duan was the vice chairman and the general manager of 江西百龍實業有限公司 (Jiangxi Bailong Shiye Company Limited*). From 2005 to 2010, Mr. Duan held the position as general manager of Jiangzi Ruiji Communication Technology Company Limited* (江西瑞吉通訊技術有限公司). Currently, Mr. Duan is the vice chairman of Jiangnan Valve Company Limited* (江南閘門有限公司).

Mr. Duan has entered into an appointment letter with the Company on 20 April 2021 pursuant to which his appointment is for a term of three years commencing from 1 May 2021 (which shall continue for successive periods until terminated by either party giving at least seven (7) days’ notice) but is subject to rotation and re-election as annual general meetings in accordance with the bye-laws of the Company and the Listing Rules. Mr. Duan is entitled to an annual remuneration of HK\$200,000, which was determined with reference to his experience, responsibilities, market condition and the Company’s remuneration policy, and was recommended by the remuneration committee of the Company and approved by the Board.

Save as disclosed herein and as at the Latest Practicable Date, Mr. Duan did not hold any position in the Company or any of its subsidiaries nor had any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company. In addition, Mr. Duan did not have 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. Mr. Duan did not have, and was 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. Duan 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.

Mr. Tso Sze Wai

Mr. Tso Sze Wai (“Mr Tso”), age 51, was appointed as an independent non-executive Director and the chairman of the audit committee of the Company (“Audit Committee”) on 2 July 2021.

Mr. Tso holds a bachelor’s degree in Commerce awarded by University of New South Wales, Australia and a postgraduate diploma in Computing awarded by the University of Western Sydney, Australia. He is a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Tso has been serving as an independent non-executive director of China Jicheng Holdings Limited, the shares of which are listed on the Stock Exchange (stock code: 1027), since October 2016. He has also been an independent non-executive director of a company the shares of which are listed on the Singapore Stock Exchange, namely Net Pacific Financial Holdings Limited (stock code: SGX:5QY), since July 2020. He has over 20 years of experience in accounting, corporate finance and corporate secretarial matters. He was a company secretary of Green Energy Group Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 979). Prior to that, he had held senior management positions in a number of listed companies in Hong Kong and Singapore.

Mr. Tso has entered into an appointment letter with the Company for a fixed term of 3 years commencing from 2 July 2021 (which shall continue for further successive periods until terminated by either party giving at least two (2) months’ notice). He is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the bye-laws of the Company and the Listing Rules.

Mr. Tso is entitled to receive a director’s fee of HK\$20,000 per month, which was determined by the Board based on the recommendation by the remuneration committee of the Company, with reference to his qualification, experience, and duties and responsibilities within the Company, the remuneration policies of the Company and prevailing market rates.

Save as disclosed above, Mr. Tso (i) does not hold any other positions in the Company or any of its subsidiaries; (ii) has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, the Board is not aware of other matters that need to be brought to the attention of the shareholders of the Company or the Stock Exchange, and there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Wang Rongfang

Mr. Wang Rongfang (“Mr. Wang”), aged 59, was appointed as an independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee, with effect from 23 June 2021.

Mr. Wang graduated from Quanzhou Normal University* (泉州師範學院) in 1982 and obtained a bachelor’s degree in philosophy. Mr. Wang has over 20 years’ experience in construction and project management. In 2006, he served as the project manager (general management) of Fujian Huidong Construction Co., Ltd.* (福建惠東建築工程有限公司) in charge of the Riverside Hill Town Project* (水岸山城工程項目) in Fenggang Town, Dongguan, Guangdong. From 2008 to 2011, he served as the project head with Fujian Bajian Construction Co., Ltd.* (福建八建建築工程有限公司) in charge of the Shenzhen Bao’an Shajing Bogang Unified Building Project* (深圳寶安沙井學崗統建樓工程項目). From 2012 to 2014, he served as the project general manager and deputy manager with Fujian Five Construction Development Group Co., Ltd.* (福建省五建建設集團有限公司) in charge of the China 20 MCC Zhuhai Hengqin Municipal Engineering (Ninth Section) Project* (中國二十冶珠海橫琴市政工程第九標段). From 2014 to 2017, he served as the project head (general management) with Fujian Mingcheng Construction (Group) Co., Ltd.* (福建名城建工有限公司) in charge of the Evergrande Lvzhou Phase II Project* (恒大綠洲二期工程項目). From 2017 to 2018, he served as the project head (general management) of Engineering Company of CCCC Fourth Harbor Engineering Co., Ltd.* (中交四航局第三工程有限公司) in charge of the Kaichun Expressway Section TJO8 First Work Zone Road Foundation Project* (開春高速路TJO8標第一工區路基工程項目). In 2019, he served as the project head of MCC 1 Malaysia 8cnlag Labour Service Construction Project (一冶馬來西亞8cnIag勞務施工項目) with MCC International (M) Sdn. Bhd.* (中冶國際馬來西亞有限公司). Since April 2020, he has been serving as the deputy general manager of Zhongan Zhonghui (Shenzhen) Industrial Co., Ltd.* (中安中慧(深圳)實業有限公司).

Mr. Wang has entered into an appointment letter with the Company for a fixed term of 3 years commencing from 23 June 2021 (which shall continue for further successive periods until terminated by either party giving at least two (2) months' notice). He is subject to retirement by rotation and re-election at annual general meeting(s) requirements in accordance with the by-laws of the Company and the Listing Rules. Mr. Wang is entitled to receive a director's fee of HK\$20,000 per month, which was determined by the Board based on the recommendation by the remuneration committee of the Company, with reference to his qualification, experience, and duties and responsibilities within the Company, the remuneration policies of the Company and prevailing market rates.

As at the Latest Practicable Date, save as disclosed above, Mr. Wang (i) does not hold any other positions in the Company or any of its subsidiaries; (ii) has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iv) does not have any interest in the shares of the Company within the meaning of Part XV of the SFO).

Save as disclosed above, the Board is not aware of other matters that need to be brought to the attention of the Shareholders or the Stock Exchange, and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) (h) to (v) of the Listing Rules.

The following is an explanatory statement as required under Rule 10.06(1)(b) of 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 AGM in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,819,102,084 Shares. Subject to the passing of the ordinary resolution set out in item 5 of the notice of the AGM in respect of the granting of the Share Repurchase Mandate and on the basis that the total number of issued Shares remains unchanged until the date of the AGM, i.e. being 2,819,102,084 Shares, the Directors would be authorised under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total number of 281,910,208 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Repurchases of Shares 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 a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the bye-laws of the Company, the laws of Bermuda and/or any other applicable laws, and the Listing Rules as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared to the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2021) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase 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 traded on the Stock Exchange during each of the 12 months immediately preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
April	0.115	0.100
May	0.115	0.096
June	0.113	0.098
July	0.119	0.095
August	0.115	0.099
September	0.108	0.078
October	0.104	0.088
November	0.100	0.071
December	0.077	0.055
2022		
January	0.074	0.059
February	0.070	0.047
March	0.073	0.045
April (up to the Latest Practicable Date)	0.088	0.048

6. GENERAL

To the best of their 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 Repurchase 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 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 Bermuda.

7. TAKEOVERS CODE

If, as a result of a repurchase of Shares 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 purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined in 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 Rules 26 and 32 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, China Asia Graphene Holding Group Co. Limited (previously known as Zhonghan International Holdings Group Limited), the controlling Shareholder (as defined in the Listing Rules), was interested in 2,112,395,735 Shares, representing approximately 74.93% of the issued Shares. In the event that the Directors exercise in full the Share Repurchase Mandate to repurchase Shares, then (if the present shareholding otherwise remains the same) the shareholding of China Asia Graphene Holding Group Co. Limited would be increased to approximately 83.26% of the issued Shares. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the amount of Shares held by the public (as defined in the Listing Rules) to less than 25% of the total issued Shares. The Company has no present intention to repurchase Shares to such extent as to result in the amount of Shares held by the public (as defined in the Listing Rules) being reduced to less than 25%.

8. SHARE REPURCHASE 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).

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

Full particulars of the proposed amendments to the Existing Bye-laws brought about by the adoption of the New Bye-laws (showing changes to the Existing Bye-laws) are set out as follows. Unless otherwise specified, clauses, paragraphs and bye-law numbers referred to herein are clauses, paragraphs and article numbers of the New Bye-laws.

Bye-law

- | No. | Proposed amendments (showing changes to the Existing Bye-laws) |
|------------|--|
| 1. | “capital” the share capital <u>of the Company</u> from time to time of the Company . |
| 1. | “clearing house” a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction |
| 1. | <u>“close associate” in relation to any Director, shall have the same meaning as defined in the rules of the Designated Stock Exchange (“Listing Rules”) as modified from time to time, except that for purposes of Bye-law 100 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.</u> |
| 1. | “Company” Winfoong International <u>China Asia Valley Group Limited</u> . |
| 1. | “dollars” and “\$” dollars, the legal currency of Hong Kong. |
| 1. | “Register” the principal register and where applicable, any branch register of Members of the Company to be kept pursuant to the provisions of the Act. |
| 1. | <u>“substantial shareholder” a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the Designated Stock Exchange from time to time) of the voting power at any general meeting of the Company.</u> |
| 2.(e) | expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the m Member’s election comply with <u>all</u> applicable Statutes, rules and regulations; |

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 2.(h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which ~~not less than twenty-one (21) clear days' Notice, specifying (without prejudice to the power contained in these Bye-laws to amend the same) the intention to propose the resolution as a special resolution, has been duly given.~~ Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five (95) per cent. in nominal value of the shares giving that right and in the case of an annual general meeting, if it so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one (21) clear days' Notice has been given; Notice has been duly given in accordance with Bye-law 59;
- 2.(i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which ~~not less than fourteen (14) days' Notice~~ has been duly given in accordance with Bye-law 59;
- 2.(k) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- 2.(l) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 3.(1) The share capital of the Company at the date on which these Bye-laws come into effect shall be divided into shares of ~~a par value of \$~~Hong Kong dollars 0.05 each.
- 3.(3) Stock Exchange and any other ~~relevant~~competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.
6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its ~~authorised or~~ issued share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve ~~in any manner permitted by law~~.
9. Subject to Sections 42 and 43 of the Act, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine.
10. Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:
- 10.(a) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorised representative or by proxy (whatever the number of shares held by them) shall be a quorum; and

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 10.(b) every holder of shares of the class shall be entitled ~~on a poll~~ to one vote for every such share held by him; ~~and (c) any holder of shares of the class present in person or by proxy may demand a poll.~~
- 12.(1) Subject to the Act, ~~and these Bye-laws,~~ any direction that may be given by the Company in general meeting and, where applicable, the rules of any Designated Stock Exchange and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.
- 12.(2) The Board may issue warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

16. Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. The seal of the Company may only be affixed or imprinted to a share certificate with the authority of the Directors, or be executed under the signature of appropriate officials with statutory authority, unless otherwise determined by the Directors. No certificate shall be issued and representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.
22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye-law.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

23. Subject to these Bye-laws, the Company may sell in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of fourteen (14) clear days after a notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
- 43.(1) The Company shall keep in one or more books a Register ~~of its Members~~ and shall enter therein the following particulars, that is to say:
- 43.(1)(a) the name and address of each Member, the number and class of shares held by him and, in respect of any shares that are not fully paid, the amount paid or agreed to be considered as paid on such shares;
44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon during business hours by ~~Members~~ members of the public without charge ~~or by any other person, upon a maximum payment of five Bermuda dollars,~~ at the Office or such other place ~~in Bermuda~~ at which the Register is kept in accordance with the Act ~~or, if appropriate, upon a maximum payment of ten dollars at the Registration Office.~~ The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.
45. ~~Notwithstanding~~ Subject to the rules of any Designated Stock Exchange, ~~notwithstanding~~ any other provision of these Bye-laws the Company or the Directors may fix any date as the record date for:

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 45.(a) ~~determining the Members entitled to receive any dividend, distribution, allotment or issue and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;~~
46. Subject to these Bye-laws, any Member may transfer all or any of his shares in any manner permitted by and in accordance with the rules of the Designated Stock Exchange or by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.
47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. ~~Save as provided in~~ Without prejudice to Bye-law 46, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
51. The registration of transfers of shares or of any class of shares may, after notice has been given by advertisement in any newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.
- 55.(2)(a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Bye-laws ~~of the Company~~ have remained uncashed;

- 55.(2)(c) the Company, if so required by the rules governing the listing of shares on the Designated Stock Exchange, has given notice to, and caused advertisement in newspapers in accordance with the requirements of, the Designated Stock Exchange ~~or by any means~~ to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement. For the purpose of the foregoing, the “relevant period” means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (c) of this Bye-law and ending at the expiry of the period referred to in that paragraph.
56. ~~An~~ Subject to the Act, an annual general meeting of the Company shall be held in each financial year other than the financial year in which its statutory meeting is convened ~~at and~~ such time ~~(within a period of not more than fifteen annual general meeting must be held within six (15-6) months after the holding end of the last preceding annual general meeting~~ Company’s financial year (unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board. A meeting of Members or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting.
58. The Board may whenever it thinks fit call special general meetings, and Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Act.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 59.(1) ~~An annual general meeting and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days' Notice. All other special-general meetings may (including a special general meeting) must be called by Notice of not less than fourteen (14) clear days' Notice but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:~~
- 59.(1)(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together ~~holding representing~~ not less than ninety-five per cent. (95%) ~~in nominal value of the total voting rights at the meeting of all the issued shares giving that right~~ Members.
- 59.(2) The Notice shall specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business. The ~~n~~Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.
- 61.(2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person or ~~by proxy or~~ (in the case of a ~~m~~Member being a corporation) by its duly authorised representative or by proxy or, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy shall form a quorum for all purposes.

63. The president-chairman of the Company or the-if there is more than one chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman at every-a general meeting. If at anymeeting the-president or the-no chairman, as the case may be, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or if neither-of them is willing to act as chairman, the deputy chairman of the Company or if there is more than one deputy chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman. If no chairman or deputy chairman is present or is willing to act as chairman of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.
- 66.(1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting ~~on a show of hands every Member present in person (or being a corporation, is present by a representative duly authorised under Section 78 of the Act), or by proxy shall have one vote and~~ on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

68. ~~If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. There shall be no requirement for the chairman to disclose the voting figures on a poll.~~
68. On a poll votes may be given either personally or by proxy.
69. ~~A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.~~
70. ~~The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.~~
7370. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Bye-laws or by the Act. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
- 7572.(1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, ~~whether on a show of hands or on a poll,~~ by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote ~~on a poll~~ by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting ~~or poll~~, as the case may be.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 7673.(2) All Members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the rules of the Designated Stock Exchange, to abstain from voting to approve the matter under consideration.
- 76A73(3) ~~Where the Company has knowledge that any Member is, under the rules, where appropriate, of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.~~
7875. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. ~~A proxy shall be entitled to exercise the same powers on behalf of~~ In addition, a proxy or proxies representing either a Member who is an individual and for whom he acts as proxy as such Member could exercise. In addition, a proxy or a Member which is a corporation shall be entitled to exercise the same powers on behalf of a the Member which is a corporation and for which he acts as proxy or they represent as such Member could exercise if it were an individual Member.
8077. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote ~~or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.~~ No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting ~~or on a poll demanded at a meeting or an adjourned meeting~~ in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

8178. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to ~~demand or join in demanding a poll and to~~ vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
8279. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two(2) hours at least before the commencement of the meeting or adjourned meeting, ~~or the taking of the poll,~~ at which the instrument of proxy is used.
- 8481.(1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 8481.(2) ~~If permitted by the Act, Where a Member is a clearing house (or its nominee(s) if and, in each case, being a corporation being a Member), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee) (s) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.~~
- 8683.(1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 874 or at any special general meeting called for such purpose and who shall hold office until for such term as the next appointment of Directors Members may determine or, in the absence of such determination, in accordance with Bye-law 84 or until their successors are elected or appointed or their office is otherwise vacated. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.
- 8683.(2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director ~~appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.~~

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 8683.(4) ~~Subject to any provision to the contrary in these Bye-laws the~~The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.
- 8784.(2) A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 863(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.
- 8986.(1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board ~~whereupon the Board resolves to accept such resignation;~~
- 8986.(6) No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Directors, by reason only of his having attained any particular age.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

9289. Any Director may at any time by Notice delivered to the Office or head office or at a meeting of the Directors appoint any person to be his alternate Director. Any person so appointed shall have all the rights and powers of the Director or Directors for whom such person is appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present. An alternate Director may be removed at any time by the person or body which appointed him and, subject thereto, the office of alternate Director shall continue until the ~~next annual election of Directors or, if earlier, the date on happening of any event which the relevant, if he were a Director, would cause him to vacate such office or if his appointer ceases for any reason~~ to be a Director. Any appointment or removal of an alternate Director shall be effected by Notice signed by the appointor and delivered to the Office or head office or tendered at a meeting of the Board. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-laws shall apply as if he were a Director save that as an alternate for more than one Director his voting rights shall be cumulative.

~~403100.~~(1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board ~~in respect of approving~~ any contract or arrangement or any other proposal in which he or any of his close associates ~~(as defined by the rules, where applicable, of the Designated Stock Exchange)~~ is materially interested, but this prohibition shall not apply to any of the following matters namely:

~~403100.~~(1) ~~any contract or arrangement for the giving to such Director or his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) of~~
(i) any security or indemnity either:-

~~403100.~~(1) to the Director or his close associate(s) in respect of money lent by him or any
(i)(a) ~~of them or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or~~

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- ~~103(1)(ii)~~ 100.(1)(i) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- ~~103(1)(iii)~~ 100.(1)(ii) any ~~contract or arrangement proposal~~ concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- ~~103(1)(iv)~~ any ~~contract or arrangement in which he or his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;~~
- 100.(1)(iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
- 100.(1)(iii) (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
- 100.(1)(iii) (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;
- 100.(1)(iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company

- ~~103.(1)(v) any contract or arrangement concerning any other company in which the director or his associate(s) (as defined by the rules, where applicable, of the Designated Stock Exchange) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the director or his associate(s) (as defined by the rules, where applicable, of the Designated Stock Exchange) is/are beneficially interested in shares of that company, provided that the director and any of his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) is derived) or of the voting rights; or~~
- ~~103.(1)(vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, their associates, and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) as such any privilege or advantage not accorded to the employees to which such scheme or fund relates~~
- ~~103.(2) A company shall be deemed to be a company in which a Director owns five (5) per cent. or more if and so long as (but only if and so long as) he and his associates (as defined by the rules, where applicable, of the Designated Stock Exchange), (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.~~

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 103.(3) ~~Where a company in which a Director together with his associates (as defined by the rules, where applicable, of the Designated Stock Exchange) holds five (5) per cent. or more is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.~~
115112. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board ~~of which notice may whenever he shall be required so to do by any Director.~~ Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or via electronic mail or in such other manner as the Board may from time to time determine whenever he shall be required so to do by the president or chairman, as the case may be, or any Director.
- 116113.(2) Directors may participate in any meeting of the Board by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.
118115. The Board may elect ~~a one or more~~ chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting ~~neither the no~~ no chairman ~~nor any or~~ no deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- ~~122~~119. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall ~~(be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held~~ provided that such number is sufficient to constitute a quorum and ~~further provided~~ that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Bye-laws) ~~be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held~~ further provided that no Director is aware of or has received any objection to the resolution from any Director. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.
- ~~127~~124.(1) The officers of the Company shall consist of ~~a president and vice-president or chairman and deputy chairman,~~ the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 128(4), these Bye-laws.
- ~~127~~.(2) ~~The Directors shall, as soon as may be after each appointment or election of Directors, elect amongst the Directors a president and a vice-president or a chairman and a deputy chairman; and if more than one Director is proposed for either of these offices, the election to such office shall take place in such manner as the Directors may determine.~~
- ~~129.~~ The president or the chairman, as the case may be, shall act as chairman at all meetings of the Members and of the Directors at which he is present. In his absence a chairman shall be appointed or elected by those present at the meeting.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- ~~132~~128.(1) The Board shall cause to be kept in one or more books at ~~its~~the Office a Register of Directors and Officers and shall enter therein the following particulars with respect to each Director and Officer, that is to say:
- ~~132~~128.(2) any change in the particulars contained in the Register of Directors and Officers, cause to be entered on the Register of Directors and Officers the particulars of such change ~~and of the date on which it occurred.~~
- ~~133~~129.(1) of all resolutions and proceedings of each general meeting of the Members; and meetings of the Board and meetings of committees of the Board and where there are managers, of all proceedings of meetings of the managers.
- ~~132~~129.(2) Notwithstanding any provision contained in these Bye-laws, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (e) of paragraph (1) of this Bye-law and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.
- ~~143~~144.(1) The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or n paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law ~~and subject to Section 40(2A) of the Act~~, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

- 144.(2) Notwithstanding any provisions in these Bye-laws, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting.
- ~~150~~146.(1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the subscription price to below the ~~par~~ nominal value of a share, then the following provisions shall apply:
- ~~153~~149. Subject to Section 88 of the Act and Bye-law 150, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and at the same time as the notice of annual general meeting and laid before the Company ~~in~~ at the annual general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.

- ~~154~~152.(3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special~~extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.
155. The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Bye-law may be fixed by the Board. Subject to Bye-law 152(3), an Auditor appointed under this Bye-law shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Bye-law 152(1) at such remuneration to be determined by the Members under Bye-law 154.
- ~~160~~158. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the Member by any of the means set out above other than by posting it on a website. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

- ~~163~~161. For the purposes of these Bye-laws, a ~~cable or telex or facsimile~~ or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any notice or document to be given by the Company may be written, printed or made electronically.
- ~~164~~162.(1) ~~The Subject to Bye-law 162(2), the~~ Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- ~~166~~164.(1) The Directors, Secretary and other officers and every Auditor ~~for the time being~~ of the Company at any time, whether at present or in the past, and the liquidator or trustees (if any) ~~for the time being~~ acting or who have acted in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any ~~wilful negligence,~~ ~~wilful default,~~ fraud or dishonesty which may attach to any of said persons.

APPENDIX III PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

165. Unless otherwise determined by the Directors, the financial year end of the Company shall be 31 of December in each year.

~~168~~167. No Member shall be entitled to require discovery of or any information ~~respecting~~ in respect of any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the members of the Company to communicate to the public.

NOTICE OF ANNUAL GENERAL MEETING



CHINA ASIA VALLEY GROUP LIMITED

中亞烯谷集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 63)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of China Asia Valley Group Limited (the “Company”) (the “Annual General Meeting”) will be held at Flat A5, Zhong Ya Gui Gu Hai An, Shajing, Bao’an District, Shenzhen, the People’s Republic of China, on 30 May 2022 at 11:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

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 2021.
2.
 - (i) To re-elect Ms. Xia Ping as executive director.
 - (ii) To re-elect Mr. Duan Rihuang as independent non-executive director.
 - (iii) To re-elect Mr. Tso Sze Wai as independent non-executive director.
 - (iv) To re-elect Mr. Wang Rongfang as independent non-executive director.
 - (v) To authorise the board of directors to fix the remuneration of directors.

NOTICE OF ANNUAL GENERAL MEETING

3. To re-appoint Messers. ZHONGHUI ANDA CPA Limited as auditor of the Company 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 additional ordinary business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

4. **“THAT:**
- (a) subject to paragraph 4(c) below, a general mandate be and is hereby generally and unconditionally granted to the Directors during the Relevant Period (as defined below) to exercise the power of the Company to allot, issue and otherwise 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 4(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 to be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the mandate in paragraph 4(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 scheme or similar arrangement providing for the allotment of shares of the Company 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 the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (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 passing of an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares of the Company 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).”

5. “**THAT:**

- (a) subject to paragraph 5(b) below, a general mandate be and is hereby generally and unconditionally granted to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange of which the shares of the Company may be listed and which is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph 5(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 the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(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 laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by passing of an ordinary resolution of the shareholders of the Company in general meeting.”

As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolutions:

6. “**THAT** conditional upon the passing of resolutions set out in paragraphs 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in paragraph 4 of the Notice be and is hereby extended by the addition to the total 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 pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in paragraph 5 of the Notice, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

As special business, to consider and, if thought fit, to pass with or without modification the following resolution as a special resolution of the Company:

7. “**THAT** the existing bye-laws of the Company be amended in the manner as set out in the circular of the Company dated 25 April 2022 (the “**Circular**”), and the new bye-laws of the Company (the “**New Bye-laws**”), a copy of which has been produced to this Annual General Meeting marked “A” and for identification purpose signed by the Chairman of the Annual General Meeting and which consolidates and incorporates all the proposed amendments mentioned in the Circular be and are hereby approved and adopted as the new bye-laws of the Company in substitution for and to the exclusion of the existing bye-laws of the Company with immediate effect after the close of this Annual General Meeting and that any one Director of the Company be and is hereby authorised to do all things necessary to implement the adoption of the New Bye-laws.”

By Order of the Board of
China Asia Valley Group Limited
Huang Binghuang
Chairman and Chief Executive Officer

Hong Kong, 25 April 2022

Notes:

- (1) The register of members of the Company will be closed from 25 May 2022 to 30 May 2022, 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 Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. (Hong Kong time) on 24 May 2022.
- (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.
- (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, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM (i.e. no later than 11:00 a.m. (Hong Kong time) on 28 May 2022) 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.