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## **Grand Ocean Advanced Resources Company Limited**

**弘海高新資源有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 65)**

### **NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of Grand Ocean Advanced Resources Company Limited (the “**Company**”) will be held at Suite 3103, Sino Plaza, 255-257 Gloucester Road, Hong Kong on Wednesday, 14 December 2016 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions to be proposed as special resolutions of the Company:

#### **SPECIAL RESOLUTIONS**

1. **“THAT**

- (a) with effect from the next business day immediately following the date of passing this resolution, the entire amount standing to the credit of the share premium account of the Company as at the date of passing this resolution be and is hereby cancelled to set off against the accumulated losses of the Company (the “**Cancellation of Share Premium Account**”); and
- (b) the Directors be and are hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to or in connection with the Cancellation of Share Premium Account.”

2. “**THAT** subject to and conditional upon (i) the approval of the Capital Reduction (as defined below) by the Grand Court of the Cayman Islands (the “**Court**”); (ii) the compliance with any conditions which the Court may impose in relation to the Capital Reduction (as defined below); (iii) the registration by the Registrar of Companies of the Cayman Islands of the order of the Court confirming the Capital Reduction (as defined below) and the minutes approved by the Court containing the particulars required under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands with respect to the Capital Reduction (as defined below); and (iv) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reduction (as defined below) and the Subdivision (as defined below) having been fulfilled, with effect from the date on which these conditions are fulfilled:
- (a) the par value of each issued share of the Company be reduced from HK\$0.50 to HK\$0.01 each by cancelling the paid up share capital to the extent of HK\$0.49 on each issued share so that each issued share shall be treated as one fully paid up share of par value of HK\$0.01 each in the share capital of the Company (the “**Capital Reduction**”);
  - (b) immediately following the Capital Reduction becoming effective, each authorised but unissued share of the Company of par value of HK\$0.50 each be subdivided (the “**Subdivision**”) into 50 shares of HK\$0.01 par value each (the “**New Share(s)**”) so that immediately following the Capital Reduction and the Subdivision, the authorised share capital of the Company shall be HK\$1,000,000,000.00 divided into 100,000,000,000 New Shares of a par value of HK\$0.01 each;
  - (c) the credit arising from the Capital Reduction be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated losses of the Company, and the balance (if any) be transferred to a distributable reserve account of the Company which may be applied for such purposes as permitted under the memorandum and articles of association of the Company (the “**Memorandum and Articles of Association**”) and all applicable laws and rules including the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange;

- (d) all of the New Shares resulting from the Capital Reduction and the Subdivision shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the Memorandum and Articles of Association in effect from time to time;
- (e) upon the Capital Reduction and the Subdivision taking effect:-
  - (i) paragraph 8 of the memorandum of association of the Company shall be replaced in its entirety and be substituted by the following new paragraph 8:-

“The share capital of the Company is HK\$1,000,000,000 divided into 100,000,000,000 shares of a nominal or par value of HK\$0.01 each, with the power for the Company, insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said share capital subject to the provisions of the Companies Law (Revised) and the articles of association of the Company and to issue any part of its capital, whether original, redeemed or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.”; and
  - (ii) any reference to the par value of shares of the Company in the articles of association of the Company in any amount other than the amount of “HK\$0.01” shall be deleted and replaced with the amount of “HK\$0.01”; and
- (f) the Directors be and are hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to the Capital Reduction and the Subdivision.”

3. “**THAT** the amended and restated Memorandum and Articles of Association in the form of the document marked “A” and produced to the EGM for the purpose of identification and signed by the chairman of the EGM be approved and adopted in substitution for and to the exclusion of the existing Memorandum and Articles of Association with effect from the closure of the EGM and any director or the company secretary of the Company be and are hereby authorised to do all such acts and things and execute all such documents and make all such arrangements as they shall, in their absolute discretion, deem necessary or expedient to give effect to the foregoing.”

By Order of the Board  
**Grand Ocean Advanced Resources Company Limited**  
**Xu Bin**  
*Chairman and Executive Director*

Hong Kong, 18 November 2016

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principal place of business in Hong Kong:*

Suite 3103  
Sino Plaza  
255-257 Gloucester Road  
Hong Kong

*As at the date of this notice, the Board comprises four executive Directors, namely Mr. Xu Bin (Chairman), Mr. Zhang Fusheng (Chief Executive Officer), Mr. Ng Ying Kit and Ms. Huo Lijie; and three independent non-executive Directors, namely Mr. Kwok Chi Shing, Mr. Huang Shao Ru and Mr. Chang Xuejun.*

*Notes:*

1. Any shareholder of the Company entitled to attend and vote at the EGM shall be entitled to appoint one or, if he is the holder of two or more shares, more than one person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the EGM either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the EGM personally or by proxy, that one of the said persons whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

3. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting at the above meeting or any adjournment thereof if he so wishes. In that event, his form of proxy will be deemed to have been revoked.
4. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the Hong Kong branch share registrar and transfer office of the Company, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof.