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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Wai Chun Mining Industry Group Company Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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偉俊礦業集團有限公司*

Wai Chun Mining Industry Group Company Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 0660)

**DISCLOSEABLE AND CONNECTED TRANSACTION
LOAN CAPITALISATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

Financial Adviser to the Company



**Independent Financial Adviser to
the Independent Board Committee
and the Independent Shareholders**



A letter from the Board is set out on pages 5 to 13 of this circular. A letter from the Independent Board Committee of the Company is set out on page 14 of this circular. A letter from INCU Corporate Finance Limited, the independent financial adviser to the independent board committee and the Independent Shareholders of the Company, is set out on pages 15 to 29 of this circular.

A notice convening the extraordinary general meeting of the Company to be held at 13/F, Admiralty Centre 2, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 8 April 2016 at 10:00 a.m. in respect of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation is set out on page EGM-1 of this circular. Whether or not you are able to attend the extraordinary general meeting, you are requested to complete the accompanying forms of proxy in accordance with the instructions printed thereon and return them to the office of the Company's share registrar in Hong Kong, Union Registrars Limited, A18th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the extraordinary general meeting or any adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the extraordinary general meeting or any adjourned meeting (as the case may be) should you so wish.

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 22 January 2016 relating to the Subscription Agreement
“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and any day on which a tropical cyclone warning number 8 or above or a “black” rainstorm warning is hoisted or remains hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“Company”	Wai Chun Mining Industry Group Company Limited, a company incorporated in the Cayman Islands whose shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Loan Capitalisation in accordance with the terms and conditions of the Subscription Agreement
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Conversion Share(s)”	the Share(s) which fall to be issued by the Company under the Convertible Preference Shares upon exercise of the conversion rights attaching to the Convertible Preference Shares or otherwise pursuant to the terms and conditions to be attached to the Convertible Preference Shares
“Convertible Preference Share(s)”	536,960,000 convertible preference shares to be issued and allotted to the Subscriber by the Company pursuant to the Subscription Agreement
“Deed of Assignment”	the deed of assignment dated 22 January 2016 entered into between the Company (as debtor), WCIF (as assignor) and Chinese Success Limited (as assignee) in relation to the assignment of the Shareholder’s Loan to Chinese Success Limited
“Director(s)”	the director(s) of the Company

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, amongst other things, approve the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation
“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 PRC
“INCU” or “Independent Financial Adviser”	INCU Corporate Finance Limited, a licensed corporation permitted to carry out type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation
“Independent Board Committee”	the independent board committee of the Company formed by all independent non-executive Directors to advise the Independent Shareholders on the terms of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation
“Independent Shareholder(s)”	Shareholder(s) other than the Subscriber, Mr. Lam and their respective associate(s)
“Issue Price”	HK\$0.05 per Convertible Preference Share
“Last Trading Day”	22 January 2016, being the last trading day prior to the entering into of the Subscription Agreement
“Latest Practicable Date”	14 March 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Loan Capitalisation”	The subscription of the 536,960,000 Convertible Preference Shares at the Issue Price by the Subscriber in accordance with the terms and conditions of the Subscription Agreement by capitalising of the entire amount of the Shareholder’s Loan
“Mr. Lam”	Mr. Lam Ching Kui, the chairman, and chief executive officer, executive Director and Substantial Shareholder of the Company
“PRC”	People’s Republic of China
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	the ordinary share(s) at par value of HK\$0.0025 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholder’s Loan”	the loan and the relevant interest accrued amounting to HK\$26,848,000 owing by the Company to Chinese Success Limited, which was assigned to Chinese Success Limited by WCIF on 22 January 2016 pursuant to the Deed of Assignment
“Specific Mandate”	the special mandate to be granted to the Directors at the EGM for the allotment and issue of the Conversion Shares to the Subscriber upon conversion of the Convertible Preference Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Chinese Success Limited, a company incorporated in the British Virgin Islands with limited liability, which is the controlling shareholder of the Company. Chinese Success Limited is in turn wholly owned by WCIF. Mr. Lam, the Substantial Shareholder, the chairman and the executive Director of the Company, is the beneficial owner of the entire issued share capital of WCIF as at the Latest Practicable Date
“Subscription Agreement”	the agreement dated 22 January 2016 entered into between the Subscriber and the Company in respect of the Loan Capitalisation
“Substantial Shareholder(s)”	has the meaning ascribed to it in the Listing Rules

DEFINITIONS

“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“WCIF”	Wai Chun Investment Fund, a company incorporated in the Cayman Islands with limited liability and the entire issued share capital of which is held by Mr. Lam as at the Latest Practicable Date
“%”	per cent

LETTER FROM THE BOARD



偉俊礦業集團有限公司*

Wai Chun Mining Industry Group Company Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 0660)

Executive Director:

Mr. Lam Ching Kui

(Chairman and Chief Executive Officer)

Independent Non-Executive Directors:

Mr. Chan Chun Wai, Tony

Mr. Hau Pak Man

Mr. To Yan Ming, Edmond

Registered Office:

Floor 4

Willow House

Cricket Square

P.O. Box 2804

Grand Cayman KY1-1112

Cayman Islands

Head Office and Principal Place of

Business in Hong Kong:

13/F, Admiralty Centre 2

18 Harcourt Road

Admiralty

Hong Kong

18 March 2016

To the Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
LOAN CAPITALISATION**

INTRODUCTION

Reference is made to the Announcement in relation to, amongst other things, the entering into of the Subscription Agreement and the Loan Capitalisation which constitutes a discloseable and connected transaction of the Company under the Listing Rules.

On 22 January 2016 (after trading hours), the Company and the Subscriber entered into the Subscription Agreement whereby the Subscriber agreed to subscribe for, and the Company agreed to issue and allot, the Convertible Preference Shares at the Issue Price for capitalising the Shareholder's Loan in the amount of HK\$26,848,000.

The purpose of this circular is to give the Shareholders with further details of the Subscription Agreement, the transactions contemplated thereunder, the Loan Capitalisation and the notice of EGM.

* *for identification purpose only*

LETTER FROM THE BOARD

SUBSCRIPTION AGREEMENT

Date: 22 January 2016

Parties:

Subscriber: Chinese Success Limited, an investment holding company incorporated in the British Virgin Islands with limited liability, is the controlling Shareholder holding approximately 46.57% of the issued share capital of the Company as at the Latest Practicable Date. Therefore, the Subscriber is considered as a connected person to the Company under the Listing Rules.

Issuer: The Company

Conditions precedent:

Completion of the Loan Capitalisation shall be conditional upon all the following conditions being fulfilled:

- (a) the approval of the Independent Shareholders of the Subscription Agreement and the transactions contemplated thereunder, including without limitation, the terms and the creation and issue of the Convertible Preference Shares, and allotment and issue of the Conversion Shares pursuant to the exercise of the conversion rights attached to the Convertible Preference Shares;
- (b) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Conversion Shares; and
- (c) all necessary consents, approvals (or waivers), authorisation, permission or exemption from any third parties, including but not limited to government or regulatory authorities, having been obtained by the parties to the Subscription Agreement for completion of the transactions contemplated thereunder.

If the above conditions precedent are not fulfilled by 30 April 2016 (or such other date as the parties to the Subscription Agreement may agree), the Subscription Agreement shall lapse and become null and void and the parties thereto shall be released from all their respective obligations hereunder, save for any liability arising out of any antecedent breaches hereof.

Convertible Preference Shares

Principal terms of the Convertible Preference Shares are set out below:

Issuer: The Company

Number of Convertible Preference Shares: 536,960,000 Convertible Preference Shares

LETTER FROM THE BOARD

Rank of the Convertible Preference Shares:	<p>The Convertible Preference Shares shall at all times rank pari passu among themselves and with the Shares in issue except that the Convertible Preference Shares shall be non-listed and without any voting right. The Convertible Preference Shares shall have the same right to declare and claim dividend with the Shares in issue.</p> <p>The holder of the Convertible Preference Share(s) is entitled to receive dividend pari passu with the Shareholders (including the holder of the Conversion Share(s)) on an as converted basis.</p> <p>The Convertible Preference Shares are accounted for as a component of equity on the balance sheet of the Company. Dividends on the Convertible Preference Shares classified as equity are recognised as distributions.</p>
Issue Price:	HK\$0.05 per Convertible Preference Shares.
Par Value:	HK\$0.0025 per Convertible Preference Shares.
Maturity:	The day immediately before the fifth (5th) anniversary of the issue date of Convertible Preference Shares, or if that day is not a Business Day, the first Business Day thereafter.
Conversion:	<p>Holders of the Convertible Preference Shares have the right to convert all or part of their Convertible Preference Shares into the Conversion Shares at any time commencing from Completion to Maturity Date on a one-to-one basis (i.e. one Convertible Preference Share shall be converted into one Conversion Share), provided that holders of the Convertible Preference Shares may only convert such number of Convertible Preference Shares as (i) would not cause the Company not to comply with the minimum public float requirement under the Listing Rules following the conversion; or (ii) would not trigger any general offer obligations under the Takeovers Code.</p> <p>The above conversion ratio (i.e. one Convertible Preference Share shall be converted into one Conversion Share) will not be adjusted under any circumstances including but not limited to share consolidation or subdivision.</p>

LETTER FROM THE BOARD

Notwithstanding the above, the Company shall have the right to defer the issue and allotment of the Conversion Shares to a date falling ninety (90) days after conversion or such longer period as the Board shall consider appropriate and necessary in the event a conversion will result in the failure by the Company to comply with the level of public float prescribed in the Listing Rules from time to time and the Company shall be entitled to defer the issue and allotment of the Conversion Shares to until the proposal by the holders of the Convertible Preference Shares to restore the public float is implemented to its satisfaction.

Redemption:

Non-redeemable.

Transferability:

The Convertible Preference Shares may be transferred by delivery to the Company of a duly executed instrument of transfer, bought and sold note and form of transfer together with the share certificate(s) for the Convertible Preference Shares being transferred. The Company shall, within five Business Days of receipt of such documents from the holder of the Convertible Preference Shares, cancel the existing Convertible Preference Shares, issue new certificate(s) in respect thereof under the seal of the Company in favour of the transferee. All and any part of the Convertible Preference Shares may not be assigned or transferred to a connected person (as defined in the Listing Rules) of the Company without the prior written consent of the Company.

Voting rights:

Holders of the Convertible Preference Shares shall not be entitled to receive notices of, attend or vote at any meetings of the Company by reason only of it being a holder of the Convertible Preference Shares.

Listing:

No application will be made for the listing of the Convertible Preference Shares on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Governing law:

Laws of Hong Kong

LETTER FROM THE BOARD

THE SHAREHOLDER'S LOAN

Since 29 June 2011, the Company has entered into five loan facility letters with WCIF (the controlling Shareholder and the entire issued share capital of which is beneficially owned by Mr. Lam as at the Latest Practicable Date) pursuant to which the Company was granted a total credit limit of HK\$77,000,000 by WCIF. Such loans generally do not have fixed term and are repayable on demand. The interest rate of these loan are 1% above the prevailing prime rate (i.e. effective rate has been 6.25% per annum). As at 31 December 2015, the Company was indebted to WCIF in an aggregate sum of approximately HK\$26.8 million (including the accrued interest incurred from the loan) out of which, HK\$26,848,000 has been assigned to the Subscriber pursuant to the Deed of Assignment. The aforesaid loans have been mainly used by the Group as general working capital.

SHAREHOLDING STRUCTURE

Set out below are the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after Completion; the issue and allotment of the Convertible Preference Shares and exercise in full of the conversion rights attaching to the Convertible Preference Shares:

	As at the Latest Practicable Date		Immediately after Completion; the issue and allotment of the Convertible Preference Shares and exercise in full of the conversion rights attaching to the Convertible Preference Shares	
	<i>Number of Shares</i>	<i>Approximately %</i>	<i>Number of Shares</i>	<i>Approximately %</i>
Chinese Success Limited				
– Existing shares (<i>Note 1</i>)	7,578,064,320	46.57	7,578,064,320	45.09
– Conversion Shares	–	–	536,960,000	3.19
Sub-total	7,578,064,320	46.57	8,115,024,320	48.28
Public	8,692,621,056	53.43	8,692,621,056	51.72
Total	<u>16,270,685,376</u>	<u>100.00</u>	<u>16,807,645,376</u>	<u>100.00</u>

Notes:

- (1) These Shares are beneficially owned by Chinese Success Limited, which in turn is wholly owned by WCIF. Mr. Lam is the beneficial owner of the entire issued share capital of WCIF. Mr. Lam is the director of Chinese Success Limited and WCIF.
- (2) This column is shown for illustrative purpose only as any conversion of the Convertible Preference Shares will not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of Mr. Lam and his parties acting in concert or any holder of the Convertible Preference Shares pursuant to the terms of the Convertible Preference Shares.

LETTER FROM THE BOARD

Assuming there will be no further issue or repurchase of Shares, upon the exercise in full of the conversion rights attaching to the Convertible Preference Shares, the Company will issue and allot an aggregate of 536,960,000 Conversion Shares, representing (i) approximately 3.30% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 3.19% of the issued share capital of the Company as enlarged by the issue and allotment of the Conversion Shares upon full exercise of the conversion rights attaching to the Convertible Preference Shares.

The Issue Price was determined after arm's length negotiations between the Subscriber and the Company with reference to the prevailing trading prices of the Shares. The Issue Price represents:

- (i) a premium of approximately 19.05% over the closing price of HK\$0.0420 per Share as quoted on the Stock Exchange on 22 January 2016, being the Last Trading Day;
- (ii) a premium of approximately 6.84% over the average closing price of HK\$0.0468 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day (the “**5-day Average Price**”);
- (iii) a discount of approximately 11.82% to the average closing price of HK\$0.0567 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day (the “**10-day Average Price**”);
- (iv) a discount of approximately 23.20% to the average closing price of HK\$0.0651 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Day (the “**30-day Average Price**”); and
- (v) a discount of approximately 53.70% to the closing price of HK\$0.108 per Share as quoted on the Stock Exchange as at the Latest Practicable Date.

REASONS FOR THE LOAN CAPITALISATION

The Company is incorporated in the Cayman Islands with limited liability and, through its subsidiaries, is principally engaged in the trading of athletic and athlete-style footwear, working shoes, safety shoes, golf shoes and other functional shoes, the manufacture and sale of modified starch and other biochemical products and general trading.

The capital structure of the Company currently mainly comprises equity, certain short-term loans and facilities obtained from banks and long-term borrowings due to its ultimate holding company. According to the interim report of the Company for the six months ended 30 June 2015, the net debt (net of cash and cash equivalent) to total assets of the Group was approximately 47.2%.

As at 30 June 2015, the Group had recorded a capital deficiency attributable to Shareholders of approximately HK\$15.3 million, net current liabilities of approximately HK\$57.9 million and net liabilities of approximately HK\$3.0 million respectively. In addition, the Group had recorded a loss attributable to the Shareholders of approximately HK\$15.9 million for the year ended 31 December 2014. Based on the management accounts of the Group as at 31

LETTER FROM THE BOARD

December 2015, the Company, at the company level, was indebted to WCIF (the controlling Shareholder and the entire issued share capital of which is beneficially owned by Mr. Lam as at the Latest Practicable Date) in an aggregate sum of approximately HK\$26.8 million and out of which, HK\$26,848,000 has been assigned to the Subscriber pursuant to the Deed of Assignment.

The Directors has considered other alternative means for raising fund to settle the Shareholder's Loan, such as bank borrowings, share placement, rights issue or open offer. However, having taken into account that (i) debt financing and bank borrowing will inevitably increase the interest expenses and gearing ratio of the Group and the ability to obtain debt financing highly depends on the performance and financial position of the Group; (ii) debt financing usually requires pledge of assets by the borrower; (iii) the Loan Capitalisation will reduce the gearing ratio and interest expenses of the Group; and (iv) other equity financing such as placing of Shares, rights issue and open offer are relatively more time consuming and less cost effective as compared to the Loan Capitalisation, the Directors consider that the Loan Capitalisation is a more desirable solution for the Group to settle the Shareholder's Loan. Upon conversion of the Convertible Preference Shares into the Conversion Shares, it may have a dilution effect to the existing Shareholder, in particular the shareholding interests in the Company held by the public shareholders will decrease from approximately 53.43% to approximately 51.72%. However, as compared with issue of Shares, issue of Convertible Preference Shares is more favourable to the existing Shareholders as it will not have any immediate dilution effect on the shareholding structure of the Company.

By entering into the Subscription Agreement, the Company can settle the Shareholder's Loan without affecting the working capital of the Company. Upon issue of the Convertible Preference Shares, the Shareholder's Loan will be derecognised as the liability of the Company and the Convertible Preference Shares will be recognized wholly as equity of the Company which in turn will reduce the gearing ratio, enlarge the capital base and enhance the net asset position of the Company. In addition, the Company can also save the interest expenses arising from the Shareholder's Loan.

Although the issue of the Convertible Preference Shares will have a dilution effect to the existing Shareholders upon conversion into Conversion Shares and the Issue Price represents a discount of approximately 53.70% to the share price as at the Latest Practicable Date, having considered (i) the shareholding interests in the Company held by the public shareholders will only be diluted from 53.43% to 51.72%, which is not substantial; (ii) the Issue Price was determined with reference to the prevailing market prices of the Shares as at the date of the Subscription Agreement which represents a premium of approximately 19.05% and 6.84% over the share price of the Company as at the Last Trading Day and the 5-day Average Price respectively and a discount of approximately 11.82% and 23.20% to the 10-day Average Price and the 30-day Average Price respectively; and (iii) the net asset position of the Company will be enhanced by the Loan Capitalisation and the subsequent conversion into the Conversion Shares, the Directors consider that the issue of the Conversion Shares is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

In addition, the Company has been actively identifying projects with growth potential for acquisition or investment. The Directors are of the view that apart from enhancing the overall financial position of the Company, the Loan Capitalisation would put the Company in a better position to negotiate terms for future acquisition, such as using consideration shares to satisfy part of the consideration, hence reserving more cash resources for the Group.

Having considered all of the reasons of the Loan Capitalisation as stated above, the Directors (including the independent non-executive Directors) consider that the terms under the Subscription Agreement (including the Issue Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

PROPOSED GRANT OF SPECIFIC MANDATE TO ISSUE THE CONVERSION SHARES UPON CONVERSION OF THE CONVERTIBLE PREFERENCE SHARES

Under the terms and conditions of the Subscription Agreement, the Company will issue the Conversion Shares to the holder(s) of the Convertible Preference Shares upon the exercise of the conversion rights attaching to the Convertible Preference Shares. The Conversion Shares will rank *pari passu* with all the then existing issued Shares. The Company will seek for the grant of the Specific Mandate from the Independent Shareholders at the EGM to issue the Conversion Shares and to allot and issue the Conversion Shares.

A summary of the principal terms of the Convertible Preference Shares is set out in Appendix II to this circular.

LISTING RULES IMPLICATION

As at the Latest Practicable Date, the Subscriber is the controlling Shareholder, and therefore considered as a connected person of the Company.

As such, the Loan Capitalisation constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As certain of the relevant applicable percentage ratios in respect of the Loan Capitalisation calculated in accordance with the Listing Rules are more than 5% but less than 25%, the Loan Capitalisation constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules. However, since the Subscriber is a connected person of the Company and the amount subject to the Loan Capitalisation exceeds HK\$10,000,000, the Loan Capitalisation constitutes a non-exempt connected transaction for the Company and is therefore subject to the Independent Shareholders' approval at the EGM. Since the Subscriber (which is wholly-owned by WCIF and Mr. Lam is the beneficial owner of the entire issued share capital of WCIF) is interested in approximately 46.57% of the entire issued share capital of the Company as at the Latest Practicable Date and has the control over their voting rights in respect of their Shares, the Subscriber and its associate(s) are required to abstain from voting on the resolution approving the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation at the EGM. Furthermore, as Mr. Lam is the beneficial owner of the Subscriber, he is deemed to have material interests in the entering of the Subscription Agreement and the Loan Capitalisation. As such, Mr. Lam has abstained from voting on the relevant board resolution.

LETTER FROM THE BOARD

The Independent Board Committee has been formed to advise the Independent Shareholders and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the entering of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation.

The Company will apply to the Stock Exchange for the listing of and permission to deal in the Conversion Shares.

RECOMMENDATION

The Directors (including all the independent non-executive Directors) are of the view that the Loan Capitalisation is fair and reasonable, and is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Subscription Agreement, the transactions contemplated thereunder, the Loan Capitalisation and the Specific Mandate.

Your attention is drawn to (i) the letter from the Independent Board Committee; and (ii) the letter from the Independent Financial Adviser contained in this circular.

Your faithfully
For and on behalf of the Board
Lam Ching Kui
Chairman and Chief Executive Officer



偉俊礦業集團有限公司*

Wai Chun Mining Industry Group Company Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 0660)

<http://www.0660.hk>

18 March 2016

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
LOAN CAPITALISATION**

We refer to the circular dated 18 March 2016 issued by the Company (the “**Circular**”), of which this letter forms part. Terms defined in the Circular shall bear the same meanings when used herein unless the context requires otherwise.

We have been appointed by the Board as the Independent Board Committee to advise you in connection with the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation and to advise you as to whether, in our opinion, the terms of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation are fair and reasonable so far as the Shareholders are concerned. Details of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation are set out in the letter from the Board contained in the Circular. INCU has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. Details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the letter from Independent Financial Adviser contained in the Circular.

Having considered the terms of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation and taking into account the information contained in the Circular and the advice of INCU, we are of the opinion that the terms of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be put forward at the EGM to approve the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation.

Yours faithfully,

Chan Chun Wai, Tony

Hau Pak Man

To Yan Ming, Edmond

Independent Non-executive Directors

* *for identification purpose only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter received from INCU Corporate Finance Limited setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation for inclusion in this circular.



INCU Corporate Finance Limited
Unit 1602, 16/F., Tower 1, Silvercord
30 Canton Road, Tsim Sha Tsui
Kowloon, Hong Kong

18 March 2016

*To: The Independent Board Committee and
the Independent Shareholders of
Wai Chun Mining Industry Group Company Limited*

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION LOAN CAPITALISATION

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders to give opinion in relation to the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation. Details of the Subscription Agreement and the Loan Capitalisation are set out in the “Letter from the Board” (the “**Letter from the Board**”) contained in the circular of the Company dated 18 March 2016 (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

On 22 January 2016 (after trading hours), the Company and the Subscriber entered into the Subscription Agreement whereby the Subscriber agreed to subscribe for, and the Company agreed to issue and allot, the Convertible Preference Shares at the Issue Price of HK\$0.05 per Convertible Preference Share for capitalising the Shareholder’s Loan in the amount of HK\$26,848,000. The Subscriber is the controlling Shareholder, and therefore the Subscriber is a connected person of the Company. The entering into of the Subscription Agreement constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and is therefore subject to reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules. As at the Latest Practicable Date, the Subscriber and its associates are interested in approximately 46.57% of the entire issued share capital of the Company and will abstain from voting on the ordinary resolution approving the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation to be proposed in the upcoming EGM.

The Company has established the Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Chan Chun Wai, Tony, Mr. Hau Pak Man and Mr. To Yan Ming, Edmond, to advise the Independent Shareholders in respect of the terms of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders as to whether the terms of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, INCU has no relationship with and is not connected with the directors, chief executives, substantial shareholders of the Company or the Subscriber or any of their respective subsidiaries or their respective associates. INCU has no shareholding interest in and has not acted as an independent financial adviser to the Company or the Subscriber or any of their respective subsidiaries or their respective associates during the past two years. Accordingly, we consider that we are eligible to give independent advice on the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the statements, information, opinion and representations contained or referred to in the Circular and/or provided to us by the Company and the management of the Group. We have assumed that all statements, information, opinion and representations contained or referred to in the Circular and/or provided to us were true, accurate and complete at the time they were made and continued to be so as at the Latest Practicable Date. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinion expressed by them in the Circular have been arrived at after due and careful consideration and there are no other material facts not contained in the Circular, the omission of which would make any such statement made by them contained in the Circular misleading in all material respects. We have no reason to doubt the truth or accuracy of the information provided to us, or to believe that any material information has been omitted or withheld. We have relied on such information and consider that the information we have received is sufficient for us to reach our advice and recommendation as set out in this letter and to justify our reliance on such information. However, we have not conducted any independent investigation into the business, affairs and financial positions of the Group, nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation in respect of the Loan Capitalisation, we have taken into consideration of the following principal factors and reasons:

I. Background of the Group

A. Businesses of the Group

The Group is principally engaged in (i) the trading of athletic, athlete-style footwear, working shoes, safety shoes, golf shoes and other functional shoes (the

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“**Footwear Business**”), (ii) the manufacture and sale of modified starch and other biochemical products (the “**Biochemical Business**”) and (iii) general trading (the “**General Trading Business**”).

B. Financial information of the Group

Set out below are the audited consolidated financial information of the Company for the financial years ended 31 December 2013 (“**FY2013**”) and 31 December 2014 (“**FY2014**”) as extracted from the annual report of the Company for the year ended 31 December 2014 (the “**2014 Annual Report**”) and the unaudited consolidated financial information for the six months ended 30 June 2014 (“**1H2014**”) and 30 June 2015 (“**1H2015**”) as extracted from the interim report of the Company for the six months ended 30 June 2015 (the “**2015 Interim Report**”):

	FY2013	FY2014	1H2014	1H2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)	(unaudited)	(unaudited)
Continuing operations (Note)				
Turnover	373,582	394,116	162,406	164,586
Gross profit	8,798	5,051	5,666	1,590
Discontinued operation (Note)				
Loss from discontinued operation	677	–	–	–
Loss attributable to owners of the Company	22,170	15,884	7,348	8,992
	As at 31 December		As at 30 June	
	2013	2014	2015	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	
	(audited)	(audited)	(unaudited)	
Non-current assets	72,778	76,086	76,462	
Current assets	137,346	63,849	87,765	
Non-current liabilities	11,836	17,767	21,506	
Current liabilities	166,374	114,223	145,676	
Net assets/(liabilities)	31,914	7,945	(2,955)	
Total borrowings to total assets (the “ Gearing Ratio ”)	22.53%	36.23%	48.00%	

Note: Continuing operations represent the Footwear Business, the Biochemical Business and the General Trading Business while the discontinued operation represents the agency trade business terminated by the Group in 2013.

(i) Financial performance of the Group

The Company’s turnover is mainly generated from the Biochemical Business, which contributed approximately 80% and 81% of the total turnover for FY2014 and 1H2015 respectively.

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The loss attributable to owners of the Company for FY2014 amounted to approximately HK\$15,884,000, representing approximately 28.35% decrease from approximately HK\$22,170,000 for FY2013. As disclosed in the 2014 Annual Report, such decrease was mainly due to (i) a decrease in operating expenses due to tighter cost control and the disposal of a subsidiary; and (ii) a gain on disposal of a subsidiary during FY2014.

For 1H2015, the Group recorded a turnover of approximately HK\$164,586,000, representing a slight increase of 1.34% as compared with the turnover of approximately HK\$162,406,000 for 1H2014. The Group recorded a gross profit of approximately HK\$1,590,000 for 1H2015, representing 71.94% decrease from approximately HK\$5,666,000 for 1H2014. Gross profit margin of the Group also decreased from 3.49% for 1H 2014 to 0.97% for 1H2015. As disclosed in the 2015 Interim Report, such regression was mainly due to the decrease in the profit margin of the Biochemical Business primarily because of intense competition.

Loss attributable to owners of the Company for 1H2015 amounted to approximately HK\$8,992,000, representing an increase of 22.37% as compared with the loss for 1H2014 of approximately HK\$7,348,000. As disclosed in the 2015 Interim Report, apart from the aforesaid decrease in profit margin of the Biochemical Business, the increase in the loss was also attributable to the lack of one-off gain on disposal of a subsidiary of approximately HK\$2,712,000 recorded in 1H2014.

(ii) *Financial position of the Group*

As at 30 June 2015, the Group had net current liabilities of approximately HK\$57,911,000, representing an increase of 14.96% from approximately HK\$50,374,000 as at 31 December 2014. The financial position also worsened as the Group changed from net assets of approximately HK\$7,945,000 as at 31 December 2014 to net liabilities of approximately HK\$2,955,000 as at 30 June 2015.

The Group's cash and cash equivalents amounted to approximately HK\$1,955,000 and approximately HK\$1,279,000 as at 31 December 2014 and 30 June 2015 respectively. Such balances were kept at low levels as they merely represented 1.40% and 0.78% of the total assets as at 31 December 2014 and 30 June 2015 respectively.

Total borrowings of the Group as at 30 June 2015 amounted to approximately HK\$78,825,000, representing 55.47% increase from approximately HK\$50,701,000 as at 31 December 2014. Such borrowings comprised secured bank loans of approximately HK\$57,319,000 and amount due to WCIF (the controlling Shareholder and the entire issued share capital of which is beneficially owned by Mr. Lam as at the Latest Practicable Date) of approximately HK\$21,506,000. Based on the management accounts of the Group as at 31 December 2015, the amount

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due to WCIF went up to approximately HK\$26.8 million, which is the approximate amount to be capitalised through the Loan Capitalisation.

We also note that the Gearing Ratio of the Group increased from 22.53% as at 31 December 2013 to 36.23% as at 31 December 2014, and further up to 48.00% as at 30 June 2015. As advised by the Directors, the increasing gearing level of the Company was mainly due to the increase in borrowings for general working capital purpose.

II. Reasons and benefits for the Loan Capitalisation

As stated in the Letter from the Board, the capital structure of the Company currently mainly comprises equity, certain short-term loans and facilities obtained from banks and long-term borrowings due to its ultimate holding company, WCIF. According to the 2015 Interim Report, the net debts (net of cash and cash equivalents) to total assets of the Group were approximately 47.2%. As at 30 June 2015, the Group had recorded a capital deficiency attributable to owners of the Company of approximately HK\$15.3 million, net current liabilities of approximately HK\$57.9 million and net liabilities of approximately HK\$3.0 million respectively. In addition, the Group had recorded a loss attributable to the owners of the Company of approximately HK\$15.9 million for FY2014.

As further disclosed in the Letter from the Board, since 29 June 2011, the Company was granted loan facilities of a total credit limit of HK\$77,000,000 by WCIF. Such loans generally do not have fixed term and are repayable on demand. The interest rates of these loans are 1% above the prevailing prime rate (i.e. effective rate has been 6.25% per annum). As at 31 December 2015, the Company was indebted to WCIF in an aggregate sum of approximately HK\$26.8 million (including the accrued interest incurred), and out of which, HK\$26,848,000 has been assigned to the Subscriber pursuant to the Deed of Assignment. By entering into the Subscription Agreement, the Company can settle the Shareholder's Loan without affecting the working capital of the Company. The Loan Capitalisation will reduce the gearing level, enlarge the capital base and enhance the net asset position of the Company. In addition, the Company can also save the interest expenses arising from the Shareholder's Loan immediately after completion of Loan Capitalisation. Moreover, the Company has been actively identifying projects with growth potential for acquisition or investment. The Directors are of the view that apart from enhancing the overall financial position of the Company, the Loan Capitalisation would put the Company in a better position to negotiate terms for future acquisition, such as using consideration shares to satisfy part of the consideration, hence reserving more cash resources for the Group.

The issue of the Convertible Preference Shares will lead to a dilution effect to the existing Shareholders upon conversion into Conversion Shares (details of such effect is discussed in the section headed "*Potential dilution effect on shareholding in the Company*"), and the Issue Price represents a discount of approximately 53.70% to the share price of the Shares as at the Latest Practicable Date. Nevertheless, we concur with the Directors' view that the issue of the Convertible Preference Shares is fair and reasonable and in the interests of the Company and the Shareholders as a whole, having

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considered (i) the potential dilution effect on the shareholding of the existing public Shareholders from approximately 53.43% to approximately 51.72% is not substantial; (ii) the Issue Price was determined with reference to the prevailing market prices of the Shares as at the date of the Subscription Agreement; and (iii) the net asset position of the Company will be enhanced by the Loan Capitalisation and the subsequent conversion of the Conversion Preference Shares.

As advised by the Directors, they had considered alternative means of repaying the Shareholder's Loan such as bank borrowings, share placement, rights issue or open offer. However, having taken into account that (i) debt financing and bank borrowings will inevitably increase the interest expenses and gearing ratio of the Group and the ability to obtain debt financing highly depends on the performance and financial position of the Group; (ii) debt financing usually requires pledge of assets by the borrower; (iii) the Loan Capitalisation will reduce the gearing ratio and interest expenses of the Group; and (iv) other equity financing such as placing of Shares, rights issue and open offer are relatively more time consuming and less cost effective as compared to the Loan Capitalisation, the Directors consider that the Loan Capitalisation is a more desirable solution for the Group to settle the Shareholder's Loan. Furthermore, as compared with issue of new Shares, issue of Convertible Preference Shares is more favourable to the existing Shareholders as it will not have any immediate dilution effect on the shareholding structure of the Company.

Apart from the reasons discussed above, having considered that (i) the financial performance and position of the Group had been worsened recently; (ii) the success of equity financing will be highly depend on the changing market sentiment; and (iii) the Loan Capitalisation will settle the entire Shareholder's Loan without cash outlay and will enlarge the capital base of the Company, we concur with the Directors' view that the Loan Capitalisation is a more desirable means for the Group to settle the Shareholder's Loan.

III. Principal terms of the Subscription Agreement and evaluation of the Issue Price

A. *Principal terms of the Subscription Agreement*

The major principal terms of the Subscription Agreement are summarised as follows:

Date: 22 January 2016

Parties:

Subscriber: Chinese Success Limited, an investment holding company incorporated in the British Virgin Islands with limited liability, is the controlling Shareholder holding approximately 46.57% of the issued share capital of the Company as at the Latest Practicable Date. Therefore, the Subscriber is considered as a connected person to the Company under the Listing Rules.

Issuer: the Company

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Issue Price:	HK\$0.05 per Convertible Preference Share
Maturity:	The day immediately before the fifth (5th) anniversary of the issue date of the Convertible Preference Shares, or if that day is not a Business Day, the first Business Day thereafter

A summary of the principal terms of the Convertible Preference Shares is set out in Appendix II to the Circular.

B. *Analysis on the Issue Price*

As stated in the Letter from the Board, the Issue Price was determined after arm's length negotiations between the Subscriber and the Company with reference to the then prevailing trading prices of the Shares. The Issue Price represents:

- (i) a premium of approximately 19.05% over the closing price of HK\$0.0420 per Share as quoted on the Stock Exchange on 22 January 2016, being the Last Trading Day;
- (ii) a premium of approximately 6.84% over the average closing price of HK\$0.0468 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 11.82% to the average closing price of HK\$0.0567 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 23.20% to the average closing price of HK\$0.0651 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Day; and
- (v) a discount of approximately 53.70% to the average closing price of HK\$0.1080 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

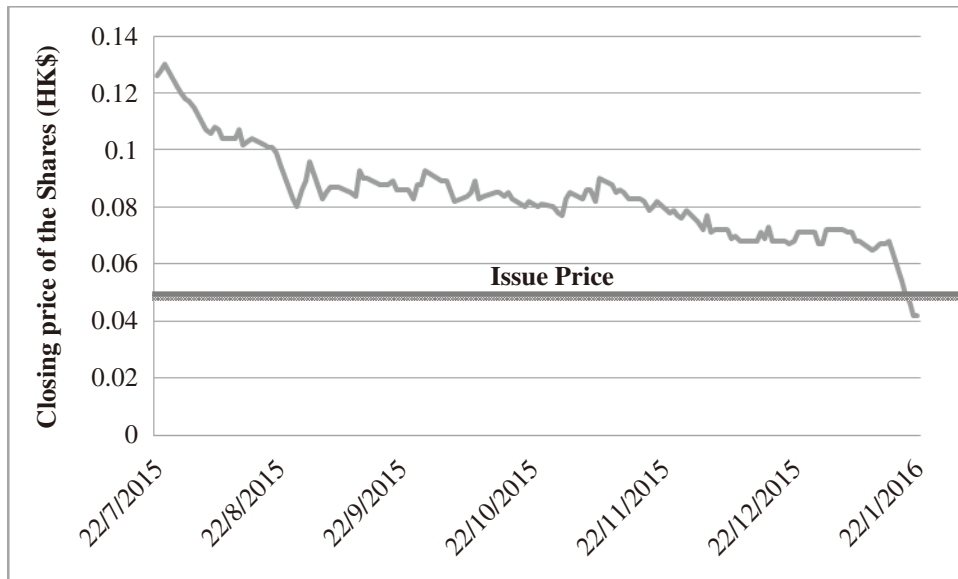
The Directors consider that the terms under the Subscription Agreement (including the Issue Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

(i) Review on historical trading price

To assess the fairness and reasonableness of the Issue Price, we have compared the Issue Price with the historical trading price of the Shares. The chart below illustrates the daily closing price of the Shares as quoted on the Stock Exchange versus the Issue Price for the period commencing

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from 22 July 2015, being the six-month period prior to the date of the Subscription Agreement, and up to and including the date of the Subscription Agreement (the “**Review Period**”):



Source: the website of the Stock Exchange (www.hkex.com.hk)

During the Review Period, the highest and lowest closing prices of the Shares as quoted on the Stock Exchange were HK\$0.130 per Share recorded on 24 July 2015 and HK\$0.042 per Share recorded on 22 January 2016, respectively.

As illustrated in the chart above, the closing price of the Shares exhibited a downward trend during the Review Period and were traded below the Issue Price since 19 January 2016 of HK\$0.049 per Share during the Review Period and was traded at HK\$0.042 per Share on the date of the Subscription Agreement.

The Issue Price represents a discount of approximately 40.48% to the average closing price of the Shares during the Review Period of approximately HK\$0.084 per Share.

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(ii) *Review on historical trading volume*

Apart from the historical trading price, we have also reviewed the trading volume of the Shares during the Review Period as elucidated in the table below:

Month/Period	Total trading volume <i>(No. of Shares)</i>	Number of trading days <i>(days)</i>	Average daily trading volume of the Shares at the end of each month/period <i>(No. of Shares)</i>	Total number of Shares in issue <i>(No. of Shares)</i>	Average daily trading volume as a percentage of the total number of Shares in issue at the end of each month/period <i>(%)</i>
July 2015 (from 22 July 2015)	21,140,000	8	2,642,500	15,954,685,376	0.017
August 2015	96,240,000	21	4,582,857	15,954,685,376	0.029
September 2015	13,870,000	20	693,500	15,954,685,376	0.004
October 2015	35,762,000	20	1,788,100	15,954,685,376	0.011
November 2015	37,010,000	21	1,762,381	15,954,685,376	0.011
December 2015	41,580,000	22	1,890,000	16,270,685,376	0.012
January 2016 (up to 22 January 2016)	28,160,000	15	1,877,333	16,270,685,376	0.012

Source: the website of the Stock Exchange (www.hkex.com.hk)

As shown in the above table, the average daily trading volume of the Shares during the Review Period ranged from approximately 0.004% in September 2015 to approximately 0.029% in August 2015 to the total number of issued Shares at the end of the respective month/period. We consider that the Shares are currently of relatively low liquidity.

(iii) *Comparable analysis*

To provide further analysis on the Issue Price, we have identified all subscriptions of convertible preference shares entered into and announced by companies listed on the Stock Exchange (excluding PRC issuers in which the conversion of preference shares are subject to relevant laws and regulations issued by the China Securities Regulatory Commission) during the period commencing from 1 January 2015 and up to 22 January 2016 (being approximately 12-month period prior to the date of the Subscription Agreement). To the best of our knowledge and as far as we are aware of, we have identified an exhaustive list of 10 transactions by searching through published information on the official website of Stock

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Exchange which met the said criteria and were not subsequently terminated prior to the Latest Practicable Date (the “**Comparable Issues**”). We are of the view that (i) a review period of approximately 12 months prior to the date of the Subscription Agreement is appropriate to capture the recent market practice for such subscriptions given the frequency of the occurrence of the Comparable Issues in this 12-month review period, and (ii) having considered that such comparables involve the issue of convertible preference shares which is most relevant to our case, as such the Comparable Issues represent fair and representative samples.

In addition, as the capital market changes rapidly, we consider that the Comparable Issues reflect the latest market conditions and sentiments of the subscription of convertible preference shares and are fair and indicative for our comparison purpose. However, Shareholders should note that the businesses, operations and/or future prospects of the Company are not the same as the relevant issuers of the Comparable Issues, thus considering other factors, the Comparable Issues merely serve as a general reference on the recent market practices of companies listed on the Stock Exchange in subscription of convertible preference shares. Details of the Comparable Issues are set out below:

Date of announcement	Company	Stock code	Premium/(discount) of the issue price over/(to) the average closing price of		
			last trading day prior to/on the date of the relevant announcement	last 5 consecutive trading days prior to/on the date of the relevant announcement	last 10 consecutive trading days prior to/on the date of the relevant announcement
20 January 2015	CITIC Limited	267	3.60%	1.25%	1.17%
2 February 2015	Beijing Enterprises Clean Energy Group Limited (formerly known as Jin Cai Holdings Company Limited)	1250	(43.57%)	(41.91%)	(38.76%)
15 April 2015	EDS Wellness Holdings Limited (Note 1)	8176	(93.55%)	(91.68%)	(92.06%)
17 May 2015	China Rundong Auto Group Limited	1365	(15.00%)	(13.73%)	(14.24%)
8 June 2015	Zebra Strategic Holdings Limited	8260	(16.67%)	(17.36%)	(13.92%)

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Date of announcement	Company	Stock code	Premium/(discount) of the issue price over/(to) the average closing price of		
			last trading day prior to/on the date of the relevant announcement	last 5 consecutive trading days prior to/on the date of the relevant announcement	last 10 consecutive trading days prior to/on the date of the relevant announcement
16 June 2015	South China Holdings Company Limited	413	(5.88%)	(24.94%)	(62.11%)
17 June 2015	LVGEM (China) Real Estate Investment Company Limited	95	(32.01%)	(26.90%)	(26.69%)
3 July 2015	Ground Properties Company Limited	989	(35.11%)	(15.51%)	(9.67%)
27 October 2015	Shun Cheong Holdings Limited (Note 1)	650	(88.65%)	(88.29%)	(85.03%)
28 October 2015	Agritrade Resources Limited	1131	56.05%	57.66%	61.18%
		Maximum:	56.05%	57.66%	61.18%
		Minimum:	(43.57%)	(41.91%)	(62.11%)
		Median:	(15.84%)	(16.44%)	(14.08%)
		Average:	(11.07%)	(10.18%)	(12.88%)
		The Company	19.05%	6.84%	(11.82%)

Source: the Stock Exchange (www.hkex.com.hk)

Note 1: These comparables are classified as extreme cases (the “Extreme Cases”) given their extraordinary discounts and/or premium of issue price to their respective closing share price and therefore have been excluded in the comparison.

As illustrated in the table above, 8 out of 10 of the issue prices of the Comparable Issues were set at a discount to the then market price of shares of the relevant listed issuers. On the contrary, the Issue Price was set at (i) a premium of approximately 19.05% over the closing price of Shares on the Last Trading Day which is higher than the average discount of the Comparable Issues (excluding the Extreme Cases) of 11.07% and is within the range of the Comparable Issues (excluding the Extreme Cases) from a discount of 43.57% to a premium of 56.05%; (ii) a premium of approximately 6.84% over the average closing price of Shares for the last five consecutive trading days up to and including the Last Trading Day, which is also higher than the average discount of the Comparable Issues

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(excluding the Extreme Cases) of 10.18% and is within the range of the Comparable Issues (excluding the Extreme Cases) from a discount of 41.91% to a premium of 57.66%; and (iii) a discount of approximately 11.82% over the average closing price of Shares for the last ten consecutive trading days up to and including the Last Trading Day, which is close to the average discount of 12.88% of the Comparable Issues (excluding the Extreme Cases).

Conclusion

Taking the above principal factors and reasons into consideration, in particular (i) the Issue Price was determined with reference to the then prevailing trading prices of the Shares at the date of the Subscription Agreement; (ii) the discount/premium of the Issue Price is in line with the market practice as discussed in the comparable analysis above; and (iii) the low liquidity trading volume of the Shares, we are of the view that terms of the Convertible Preference Shares (including the Issue Price) are fair and reasonable so far as the Independent Shareholders are concerned.

IV. Potential dilution effect on shareholding in the Company

Set out below are the shareholding structure of the Company (a) as at the Latest Practicable Date; and (b) immediately after Completion, the issue and allotment of the Convertible Preference Shares and exercise in full of the conversion rights attaching to the Convertible Preference Shares:

	(a) As at the Latest Practicable Date		(b) Immediately after (i) Completion; (ii) the issue and allotment of the Convertible Preference Shares and exercise in full of the conversion rights attaching to the Convertible Preference Shares (Note 2)	
	<i>Number of Shares</i>	<i>Approximately %</i>	<i>Number of Shares</i>	<i>Approximately %</i>
Chinese Success Limited				
– Existing Shares (Note 1)	7,578,064,320	46.57	7,578,064,320	45.09
– Conversion Shares	—	—	536,960,000	3.19
	<hr/>		<hr/>	
Sub-total	7,578,064,320	46.57	8,115,024,320	48.28
Public	8,692,621,056	53.43	8,692,621,056	51.72
	<hr/>		<hr/>	
Total	<u>16,270,685,376</u>	<u>100.00</u>	<u>16,807,645,376</u>	<u>100.00</u>

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Notes:

- (1) These Shares are beneficially owned by Chinese Success Limited, which in turn is wholly owned by WCIF. Mr. Lam is the beneficial owner of the entire issued share capital of WCIF. Mr. Lam is the director of Chinese Success Limited and WCIF.
- (2) This column is shown for illustrative purpose only as any conversion of the Convertible Preference Shares will not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of Mr. Lam and his parties acting in concert or any holder of the Convertible Preference Shares pursuant to the terms of the Convertible Preference Shares.

As shown in the table above, the shareholding of the existing public Shareholders will be diluted from approximately 53.43% of the issued share capital of the Company as at the Latest Practicable Date to approximately 51.72% of the issued share capital of the Company immediately after Completion and the issue and allotment of the Convertible Preference Shares and exercise in full of the conversion rights attaching to the Convertible Preference Shares.

Notwithstanding that the Loan Capitalisation will incur dilution effect on the shareholding of the existing Shareholders upon conversion, after taking into account (i) the potential dilution effect on the shareholding of the existing public Shareholders is not substantial; (ii) the entire Shareholder's Loan will be settled without cash outlay; (iii) the Group's gearing level will be improved, which will, in turn, place the Group at a better position to negotiate and obtain fund raising arrangements or debt financing for its business development and expansion in future when necessary; (iv) the saving of interest expense under the Shareholder's Loan will have positive effect on the Group's earnings; (v) the Loan Capitalisation, to a certain extent, reflects Mr. Lam's commitment and confidence on the long-term prosperity of the Group; and (vi) the terms of the Subscription Agreement are fair and reasonable so far as the Independent Shareholders are concerned, we are of the view that the Loan Capitalisation is in the interests of the Company and the Shareholders as a whole.

V. Possible financial effects of the Loan Capitalisation

A. *Effect on earnings*

As disclosed in the 2014 Annual Report and the 2015 Interim Report, the Company records a loss attributable to the owners of the Company of approximately HK\$15,884,000 for FY2014 and approximately HK\$8,992,000 for 1H2015 respectively. Since the Shareholder's Loan, which bears annual interest rate of 6.5%, will be settled in full upon Completion, we consider that the interest expense of the Group will be reduced accordingly and will have a positive impact on the earnings of the Group.

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B. Effect on net asset value

As disclosed in the 2015 Interim Report, the Company records a capital deficiency attributable to the Shareholders amounting to approximately HK\$15,317,000 as at 30 June 2015. Since the Company's liabilities will be reduced by HK\$26,848,000 upon Completion, it is expected that the financial position of the Group will be enhanced.

As such, we consider that the Loan Capitalisation will have a positive impact on the net asset value of the Group.

C. Effect on gearing

Based on the financial information stated in the 2015 Interim Report, the Gearing Ratio was approximately 48.00% as at 30 June 2015 and, upon Completion, such debt ratio would be reduced to approximately 34.90%. As such, we consider that the Loan Capitalisation will have a positive impact on the debt ratio of the Group.

It should be noted that the aforementioned analyses are for illustrative purpose only and do not purport to represent how the financial position of the Group will be upon Completion.

Conclusion

In light of the positive impact on the earnings, the net asset value, and the gearing level of the Group, we are of the view that the Loan Capitalisation will have a positive financial effect on the Group and is in the interests of the Company and the Shareholders as a whole.

RECOMMENDATION

Having considered the principal factors and reasons as discussed above, in particular, (i) the positive impact to the net asset position of the Company, which in turn will put the Company in a better position to negotiate and obtain fund raising arrangements or debt financing for its business development and expansion in future when necessary, (ii) saving of interest expenses under the Shareholder's Loan and (iii) mild potential dilution effect on the shareholding of existing public Shareholders upon conversion of the Convertible Preference Shares, we are of the view that the terms of the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation (including the allotment and issue of the Convertible Preference Shares) are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

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Accordingly, we would recommend the Independent Shareholders and the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the upcoming EGM to approve the Subscription Agreement, the transactions contemplated thereunder and the Loan Capitalisation.

Yours faithfully,
For and on behalf of
INCUCorporate Finance Limited
Gina Leung
Managing Director

Ms. Gina Leung is a licensed person registered with the SFC and a responsible officer of INCUCorporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. She has over 20 years of experience in the corporate finance industry and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS**Interest of Directors in the Company**

As at the Latest Practicable Date, the interests and long interest of the Directors in the share capital of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code for Securities Transactions by Division of Listed Companies in the Listing Rules to notified to the Company and the Stock Exchange were as follows:

Long position in Shares

Name	Capacity	Number of Shares held	Percentage of shareholding
Mr. Lam Ching Kui	Interests of controlled corporations	8,115,024,320 (Note)	49.87%

Note: Mr. Lam Ching Kui is the beneficial owner of Chinese Success Limited, the substantial major shareholder holding 7,578,064,320 issued Shares and is deemed to be interested in 536,960,000 Convertible Preference Shares, which is convertible into 536,960,000 issued Shares as at the Latest Practicable Date.

Save as disclosed above, as the Latest Practicable Date, none of the Directors or any chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules to be notified to the Company and the Stock Exchange.

Interests of substantial Shareholders

So far as is known to the Directors, as at the Latest Practicable Date, the persons other than a Director or chief executive of the Company who has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provision of Division 2 and 3 of Part XV of the SFO, who is expected, directly or indirectly, to be interest in 5 per cent, or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or had any options in respect of such capital, were as follow:

Name of Shareholder	Capacity	Number of Shares	Percentage of shareholding
Chinese Success Limited (<i>Note 1</i>)	Beneficial Owner	8,115,024,320	49.87%
WCIF	Interests of controlled corporations	8,115,024,320	49.87%
Onward Global Investments Limited (<i>Note 2</i>)	Beneficial Owner	1,286,350,000	7.91%
Spring Garden Investments Limited (<i>Note 3</i>)	Beneficial Owner	1,286,400,000	7.91%

Notes:

1. Mr. Lam Ching Kui, the Chairman and executive Director of the Company, is the beneficial owner of the entire issued share capital of Chinese Success Limited, which owned 7,578,064,320 Shares and is deemed to be interested in 536,960,000 Convertible Preference Shares, which is convertible into 536,960,000 Shares as at the Latest Practicable Date. Mr. Lam Ching Kui is a sole director and shareholder of Chinese Success Limited.
2. Ms. Wan Yuzhen is the beneficial owner of Onward Global Investments Limited, the substantial Shareholder holding 7.91% of the issued share capital of the Company
3. Ms. Zhong Liyang is the beneficial owner of Spring Garden Investments Limited, the substantial Shareholder holding 7.91% of the issued share capital of the Company

Save as disclosed above, the Directors and the chief executive of the Company were not aware that there was any person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest of short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provision of Division 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group or had any options in respect of such capital.

Service Contracts

As at the Latest Practicable Date, there was no existing or proposed service contract between any of the Directors and the Company or any of its members (excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensations)).

Interests in other competing business

Each of the Directors has confirmed that as at the Latest Practicable Date, he and their respective associates (as defined under the Listing Rules) did not have any interests in a business apart from the Group's business which directly competes with and will have material adverse impact on the Group.

Interests in assets

As at the Latest Practicable Date, none of the Directors has any direct or indirect interest in any assets acquired or disposed of by or leased to any member of the Group or is proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2014, being the date to which the latest published audited accounts of the Company were made up.

Interests in contract or arrangement

As at the Latest Practicable Date, none of the Directors is materially interested in contract or arrangement subsisting which is significant in relation to the business of the Group.

3. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

4. MATERIAL CONTRACTS

Save for the Subscription Agreement and Deed of Assignment, no contracts (not being contracts in the ordinary course of business of the Company) have been entered into by members of the Group within two years immediately preceding the date of this circular which are or may be material.

5. EXPERT'S CONSENT AND QUALIFICATION

The following is the qualification of the professional adviser who has given opinion or advice which is contained in this circular:

Name	Qualification
INCU	A licensed corporation permitted to carry out regulated activities type 6 (advising on corporate finance) under the SFO

INCU has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and all reference to its name in the form and context in which they appear.

As at the Latest Practicable Date, INCU was not beneficially interested in the share capital of any member of the Group nor did it has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group nor did it have any interest, either direct or indirect, in any assets which have been, since the date up to which the latest published audited consolidated financial statements of the Group were made up, acquired, disposed of by, or leased to, or are proposed to be acquired or disposed of by, or leased to any member of the Group.

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and his associates is interested directly or indirectly in a business, apart from his interest in the Company, which competes or is likely to compete with the business of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2014, being the date up to which the latest published audited consolidated financial statements of the Group were made up.

8. GENERAL

- (a) The secretary of the Company is Mr. Tong Chi Cheong;
- (b) The registered office of the Company is situated at Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands;
- (c) The Hong Kong share registrar of the Company is Union Registrars Limited at A18th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong; and
- (d) In the event of inconsistency, the English text shall prevail over the Chinese text.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during 9:00 a.m. to 5:00 p.m. at the head office and principal place of business in Hong Kong at 13/F, Admiralty Centre 2, 18 Harcourt Road, Admiralty, Hong Kong from the date of this circular up to and including the date of the EGM:

- (a) the annual reports of the Company for the two years ended 31 December 2013 and 31 December 2014;
- (b) the Subscription Agreement;
- (c) the Deed of Assignment;
- (d) the letter from the Independent Board Committee;
- (e) the letter from INCU;
- (f) the consent letter of INCU; and
- (g) this circular.

TERMS OF THE CONVERTIBLE PREFERENCE SHARES

Each of the Convertible Preference Shares is issued by the Company at Issue Price. Convertible Preference Shares shall be held subject to and with the benefit of the terms and conditions set out below (“**Conditions**”). The words and expressions set out below shall have the meanings attributed to them in the Subscription Agreement unless the context otherwise requires:

1. Maturity Date

Subject as provided herein, all or any part of the Convertible Preference Shares shall, unless previously converted into Conversion Shares, be converted into Conversion Shares during normal business hours in accordance with the Conditions on the day immediately before the fifth (5th) anniversary of the issue date of Convertible Preference Shares, or if that day is not a Business Day, the first Business Day thereafter (the “**Maturity Date**”).

2. Status and Transfer

- 2.1 The obligations of the Company arising under Convertible Preference Shares constitute direct, unconditional, unsecured, unsubordinated obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves and with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable laws.
- 2.2 Subjection to the Conditions, the Convertible Preference Shares shall at all times rank *pari passu* among themselves and with the Shares in issue including but not limited to right to receive dividend declared.
- 2.3 No application will be made for the listing of the Convertible Preference Shares on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.
- 2.4 Subject to the provision of this Condition 2, any or part of the Convertible Preference Shares may be assigned or transferred to any person.
- 2.5 No Convertible Preference Shares may be assigned or transferred to a connected person (as defined in the Listing Rules) of the Company without the prior written consent of the Company. Without prejudice to the aforesaid, any assignment or transfer of all or any part of the Convertible Preference Shares is subject to:
 - (a) the rules and regulations of the Stock Exchange (and any other stock exchange on which the issued Shares may be listed at the relevant time); and
 - (b) all applicable laws and regulations.

2.6 The Convertible Preference Shares may be transferred by delivery to the Company of a duly executed instrument of transfer, bought and sold note and form of transfer (the "**Transfer Form**") in the form annexed to the Conditions (or in such other form as may be approved by the Company (acting reasonably)) together with the share certificate(s) for the Convertible Preference Shares being transferred. The Company shall, within five Business Days of receipt of such documents from the holder of the Convertible Preference Shares (the "**CS Holders**"), register the transfer of the Convertible Preference Shares, issue new certificate(s) in respect thereof under the seal of the Company in favour of the transferee.

3. **Conversion Right and Conversion Period**

3.1 The CS Holders has the right to convert all or part of its Convertible Preference Shares into Conversion Shares at any time commencing from Completion till Maturity Date on 1:1 basis, i.e. one Convertible Preference Share shall be converted into one Conversion Share and such conversion ratio will not be adjusted under any circumstances including but not limited to share consolidation or subdivision.

3.2 Subject to and upon compliance with the provisions of the Memorandum and Articles and any applicable laws and regulations (including but not limited to the Listing Rules and the Hong Kong Code on Takeovers and Mergers ("**Takeovers Code**")), the Conversion Right attaching to any Convertible Preference Shares may be exercised, at the option of the CS Holders thereof, at any time commencing from Completion to Maturity Date, provided that a CS Holders may only convert such number of Convertible Preference Shares as (1) would not cause the Company not to comply with the minimum public float requirement under the Listing Rules following the conversion; or (2) would not trigger any general offer obligations under the Takeover Code. Notwithstanding the above, the Company shall have the right to defer the issue and allotment of the Conversion Shares to a date falling ninety (90) calendar days after conversion or such longer period as the board of the Company shall consider appropriate and necessary in the event a conversion will result in the failure by the Company to comply with the requirement in respect of public float prescribed in the Listing Rules from time to time and the Company shall be entitled to defer the issue and allotment of the Conversion Shares until the proposal by the CS Holders or its own proposal to restore the public float is implemented to its satisfaction.

4. **Redemption rights**

The Convertible Preference Shares are non-redeemable.

5. **Procedure for Conversion and Conversion Shares**

5.1 The Conversion Rights may, subject as provided herein and in Condition 3, be exercised on any Business Day immediately after the date of issue of Convertible Preference Shares and up to 4:00 p.m. on the Business Day immediately prior to the Maturity Date, by the CS Holders delivering at the principal place of business

of the Company in Hong Kong a notice in the form annexed to the Conditions duly completed to the Company stating the intention of the CS Holders to convert Convertible Preference Shares into Shares. Any such conversion notice once delivered shall be irrevocable.

- 5.2 The Company shall pay all taxes and stamp duty, issue and registration duties (if any) and levies and charges (if any) arising on any conversion and issue of share certificates for the Conversion Shares and certificate(s) for the rest of the Convertible Preference Shares the CS Holder remain to hold in the event of partial conversion.
- 5.3 (a) The Conversion Shares shall be allotted and issued by the Company, credited as fully paid, to the CS Holders or as it may direct, within five (5) Business Days after the date on which the certificate(s) for the Convertible Preference Shares is delivered to and received by the Company for cancellation.
- (b) The certificate for the Conversion Shares to which the CS Holders shall become entitled in consequence of any conversion shall be issued in board lots to the extent practicable, with one certificate for any odd lot of Conversion Shares arising from conversion, and shall be issued and made available for collection at the principal place of business of the Company in Hong Kong within the five (5) Business Days period provided for in sub-paragraph (a) above.
- (c) On any partial conversion of the Convertible Preference Shares, the CS Holders will by reasonable prior appointment with the Company Secretary or any officer of the Company, attend at the principal place of business of the Company in Hong Kong with the certificate representing the Convertible Preference Shares to be converted and shall join in endorsing the certificate representing the remaining Convertible Preference Shares held by such CS Holders after such conversion.

6. Voting

The CS Holders shall not be entitled to receive notices of, attend or vote at any meetings of the Company by reason only of it being a CS Holder.

7. Amendment

Subject to the approval of the Stock Exchange, the Conditions may be varied, expanded or amended by agreement in writing between the Company and all the CS Holders.

8. Governing Law and Jurisdiction

The Conditions are governed by and shall be construed in accordance with the laws of Hong Kong and the Company and the CS Holders agree to submit to the non-exclusive jurisdiction of the courts of Hong Kong in connection herewith.

NOTICE OF EGM



偉俊礦業集團有限公司*

Wai Chun Mining Industry Group Company Limited

(incorporated in the Cayman Islands with limited liability)

(Stock code: 0660)

<http://www.0660.hk>

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Wai Chun Mining Industry Group Company Limited (the “**Company**”) will be held at 13/F, Admiralty Centre 2, 18 Harcourt Road, Admiralty, Hong Kong on Friday, 8 April 2016 at 10:00 a.m., for the purposes of considering and, if thought fit, passing, with or without modification, the following resolution of the Company:

ORDINARY RESOLUTION

1. “**THAT:**

- (a) the subscription of the 536,960,000 convertible preference shares of HK\$0.0025 each in the share capital of the Company (the “**Convertible Preference Shares**”) at the issue price of HK\$0.05 per Convertible Preference Share by Chinese Success Limited (the “**Subscriber**”) in accordance with the terms and conditions of the subscription agreement dated 22 January 2016 entered into between the Subscriber and the Company (the “**Subscription Agreement**”) by capitalising of the entire amount of the loan and the relevant interest accrued amounting to HK\$26,848,000 owing by the Company to the Subscriber (the “**Loan Capitalisation**”), including but not limited to the terms and conditions of the Subscription Agreement be and are hereby approved and the entering into, implementation and completion of the transactions and/or arrangements contemplated under the Subscription Agreement be and are hereby approved ratified and confirmed;
- (b) any one director of the Company be and is hereby authorised to approve any amendments or alterations to all the documents related to Loan Capitalisation, and to execute all documents and do all things on behalf of the Company in connection with this circular, the EGM and other matters referred to above, where such amendments and/or alteration and/or document and/or actions are in his opinion necessary, convenient and/or appropriate for Loan Capitalisation;
- (c) any one director of the Company be and is hereby authorised to take all necessary steps to complete such application as stated in the Form C1 and the undertakings and all documents (if any) required by The Stock Exchange of Hong Kong Limited in accordance with the Rules Governing the Listing of Securities on the Stock Exchange;
- (d) any one director of the Company be and is hereby authorised to allot and issue the Convertible Preference Shares pursuant to the terms of the Subscription

* *for identification purpose only*

NOTICE OF EGM

Agreement and the performance of the transactions contemplated under the Convertible Preference Shares by the Company be and is hereby approved; and

- (e) any one director of the Company be and is hereby authorised to allot and issue up to 536,960,000 conversion shares of HK\$0.0025 each in the share capital of the Company (the “**Conversion Shares**”), credited as fully paid, upon exercise by the holder of the Convertible Preference Shares of the conversion rights attached to the Convertible Preference Shares from time to time in accordance with the terms of the Convertible Preference Shares and the articles of association of the Company.”

By order of the Board
Wai Chun Mining Industry Group Company Limited
Lam Ching Kui
Chairman and Chief Executive Officer

Hong Kong, 18 March 2016

Registered Office:

Floor 4
Willow House
Cricket Square
P.O. Box 2804
Grand Cayman KY1-1112
Cayman Islands

Principal place of business in Hong Kong:

13/F, Admiralty Centre 2
18 Harcourt Road, Admiralty
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the above meeting may appoint one or more than one proxies to attend and to vote on a poll in his stead. On a poll, votes may be given either personally (or in the case of a shareholder being a corporation, by its duly authorized representative) or by proxy. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, 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 are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
3. 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 office of the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at A18th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if shareholders so wish.
5. The resolution set out in this notice of extraordinary general meeting will be put to Shareholders to vote taken by way of a poll.