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中國動力
China Dynamics

China Dynamics (Holdings) Limited

中國動力(控股)有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 476)

INSIDE INFORMATION

REQUISITION FOR A SPECIAL GENERAL MEETING

This announcement is made by China Dynamics (Holdings) Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders (the “**Shareholders**”) of the Company that the Board received by email a written requisition on 22 October 2020 and the Company’s head office and principal place of business in Hong Kong received the original requisition notice by hand on 28 October 2020 (the “**Requisition Notice A**”) from a registered shareholder of the Company holding more than 10% of the total issued shares of the Company, HK Guoxin Investment Group Limited, purportedly signed by its director Mr. Li Fengmao, requesting the Board to convene a special general meeting for considering and, if thought fit, passing the resolutions referred to in Requisition Notice A (the “**Requisition Resolutions A**”).

In addition, the Board received a separate written requisition which was delivered by hand at the Company’s head office and principal place of business in Hong Kong on 28 October 2020 (the “**Requisition Notice B**”) from two of the registered shareholders of the Company, Mr. Cheung Ngan and Faith Profit Holding Limited, together holding more than 10% of the total issued shares of the Company, requesting the Board to convene a special general meeting for considering and, if thought fit, passing the resolutions referred to in Requisition Notice B (the “**Requisition Resolutions B**”).

Requisition Resolutions A and Requisition Resolutions B are set out below:

Requisition Resolutions A:

1. “THAT Mr. Cheung Ngan (張韜先生) be removed as a director of the Company with immediate effect upon passing of this resolution.”
2. “THAT Mr. Miguel Valdecabres Polop be removed as a director of the Company with immediate effect upon passing of this resolution.”
3. “THAT Mr. Chan Francis Ping Kuen (陳炳權先生) be removed as a director of the Company with immediate effect upon passing of this resolution.”
4. “THAT Mr. Hu Guang (胡光先生) be removed as a director of the Company with immediate effect upon passing of this resolution.”
5. “THAT Dato’ Tan Yee Boon (拿督陳于文) be removed as a director of the Company with immediate effect upon passing of this resolution.”
6. “THAT any director appointed to the Board during the period from 18 October 2020 to the date of the SGM and is hereby removed as a director of the Company with immediate effect upon passing this resolution.”
7. “THAT Mr. Zhou Jin Kai (周金凱先生) be re-designated as an Executive director from a Non-executive Director of the Company with immediate effect upon passing this resolution.”
8. “THAT:
 - (a) Subject to paragraph 8(c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require exercise of such powers, be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph 8(a) shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate number of shares of Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph 8(a), otherwise than pursuant to (i) a Rights Issues (as hereinafter defined) or (ii) the exercise of the subscription right under the share option scheme or similar arrangement adopted by the Company; or (iii) the exercise of rights of subscription or conversion under the terms of any warrants or any securities, which carry rights to subscribe for or are convertible into shares of the Company, issued by the Company or (iv) an issue of shares as scrip dividends pursuant to the Bye-laws of the Company from time to time shall not exceed 20% of the aggregate number of issued shares of the Company as at the date of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law of Bermuda to be held; and

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

“Right Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the law of, or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company.”

9. “THAT:

(a) subject to paragraph 9(b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;

(b) the aggregate number of shares of the Company repurchased by the Company pursuant to the approval in paragraph 9(a) during the Relevant Period shall not exceed 10% of the aggregate number in issued shares of the Company in issues at the date of passing this resolution and said approval be limited accordingly; and

(c) for the purpose of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law of Bermuda to be held; and

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

10. “THAT conditional upon resolution nos. 8 and 9 above being passed, the aggregate number of shares of the Company which are repurchased by the Company under the authority granted to the directors of the Company as mentioned in the resolution no.9 above shall be added to the aggregate number of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no.8 above.”

Requisition Resolutions B:

1. “THAT Mr. Zhou Jin Kai (周金凱先生) be removed as a director of the Company with immediate effect upon passing of this resolution.”

The Board is in the course of seeking legal advice as to the appropriate course of action to be taken by the Company in respect of Requisition Notice A and Requisition Notice B. Upon obtaining such advice, the Board would transact the matters set out in Requisition Notice A and Requisition Notice B and proceed duly to convene a special general meeting by preparing a circular containing, among other things, details of Requisition Resolutions A and Requisition Resolutions B, and notice of the special general meeting with proxy form for sending to the Shareholders in compliance with applicable Bermuda law and Listing Rules.

By order of the Board
China Dynamics (Holdings) Limited
Cheung Ngan
Chairman

Hong Kong, 29 October 2020

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Cheung Ngan, Ms. Chan Hoi Ying and Mr. Miguel Valldecabres Polop, one non-executive Director, namely Mr. Zhou Jin Kai, and three independent non-executive Directors, namely Mr. Chan Francis Ping Kuen, Mr. Hu Guang and Dato' Tan Yee Boon.