

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Ta Yang Group Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

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TA YANG GROUP HOLDINGS LIMITED

大洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1991)

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

A notice convening the annual general meeting of the Company (the “AGM”) to be held at Rooms 1 and 2, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 14 December 2017 at 10:00 a.m. and any adjournment of the AGM is set out on pages 16 to 19 of this circular.

A form of proxy for the AGM is enclosed with this circular. Whether or not you are able to attend and vote at the AGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

14 November 2017

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at Rooms 1 and 2, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on 14 December 2017 at 10:00 a.m., the notice of which is set out on pages 16 to 19 of this circular, or any adjournment thereof
“AGM Notice”	notice of the AGM
“Articles”	the articles of association of the Company, as amended and restated from time to time
“Board”	the board of Director(s)
“BVI”	British Virgin Islands
“Close Associate(s)”	has the same meaning as defined in Rule 1.01 of the Listing Rules
“Company”	Ta Yang Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Company Law”	the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, modified or otherwise supplemented from time to time
“Core Connected Person”	has the same meaning as defined in Rule 1.01 of the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all the power of the Company to allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution
“Latest Practicable Date”	10 November 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“PRC”	the People’s Republic of China, and for the sole purpose of this circular, excluding (except where the context requires) Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all the power of the Company to repurchase Shares, during the Repurchase Period, not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution
“Repurchase Period”	the period starting the date of passing the relevant resolution granting the Repurchase Mandate and ending on the earliest of the date of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, or the date upon which the Repurchase Mandate is revoked or varied
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	duly registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Takeovers Code”

The Code on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time and administered by the Securities and Futures Commission of Hong Kong

“%”

per cent

LETTER FROM THE BOARD



TA YANG GROUP HOLDINGS LIMITED

大 洋 集 團 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1991)

Executive Directors:

Shi Qi (*Chairlady and Chief Executive Officer*)
Xu Chendi
Qiu Yonghao
Huang Te-Wei

Non-executive Directors:

Gao Feng
Han Lei
Wang Yayuan

Independent Non-executive Directors:

Zhang Lijuan
Pak Wai Keung, Martin

Registered Office:

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

*Principal Place of Business
in Hong Kong:*

Flat 28, 23rd Floor
Metro Centre II
21 Lam Hing Street
Kowloon Bay, Kowloon
Hong Kong

14 November 2017

To the Shareholders

Dear Sirs or Madams,

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

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM for, inter alia, the approval of (i) the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (ii) the re-election of Directors, and to give you the AGM Notice.

LETTER FROM THE BOARD

2. PROPOSED GRANT OF ISSUE MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

At the annual general meeting of the Company held on 15 December 2016, general mandates were given to the Directors to exercise power to repurchase Shares and to issue new Shares respectively. Such mandates will lapse at the conclusion of the AGM. At the AGM, separate ordinary resolutions will be proposed to seek for approval of the Shareholders to grant to the Directors:

- (i) the Issue Mandate to allot, issue and otherwise deal with the Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution;
- (ii) the Repurchase Mandate to repurchase the Shares, during the Repurchase Period, not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution; and
- (iii) subject to the passing of the aforesaid ordinary resolutions approving the Issue Mandate and the Repurchase Mandate, the Extension Mandate to increase the total number of Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares repurchased under the Repurchased Mandate.

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire (a) at the conclusion of the next annual general meeting of the Company following the AGM; or (b) at the end of the period within which the next annual general meeting of the Company is required by the Companies Law or the Articles to be held; or (c) when the authority given to the Directors thereunder is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company prior to the next annual general meeting of the Company, whichever is the earliest.

An explanatory statement containing information relating to the Repurchase Mandate and as required pursuant to the Listing Rules is set out in Appendix I to this circular. This explanatory statement contains information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 871,178,000 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Repurchase Mandate and the Issue Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate on the date of passing the resolution approving the Repurchase Mandate will be 87,117,800 Shares, representing 10% of the issued share capital of the Company as at the date of passing the relevant resolution, and the maximum number of Shares which may be issued pursuant to the Issue Mandate on the date of passing the resolution approving the Issue Mandate will be 174,235,600 Shares, representing 20% of the issued share capital of the Company as at the date of passing the relevant resolution.

LETTER FROM THE BOARD

3. RE-ELECTION OF DIRECTORS

In accordance with Article 86(3) of the Articles, Ms. Wong Yayuan, who has been appointed by the Board in December 2016 as addition to the existing Board, will hold her office until the AGM. Being eligible, she would offer herself for re-election.

In addition, in accordance with Article 87(1) of the Articles, Ms. Shi Qi, Ms. Xu Chendi and Mr. Qiu Yonghao shall retire from their office as Directors at the AGM. Being eligible, they would offer themselves for re-election.

At the AGM, the ordinary resolution number 2 will be proposed to re-elect each of the above Directors as Directors.

Biographical details of each of above Directors who offer themselves for re-election that are required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 16 to 19 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of Directors.

A form of proxy for the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.tayang.com). Whether or not you are able to attend and vote at the AGM in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for the meeting or the adjournment thereof (as the case may be). The completion and return of a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

5. POLL VOTING AT ANNUAL GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, at the AGM, the Chairman of the AGM will exercise his/her power under Article 66 of the Articles to put each of the resolutions set out in the AGM Notice to be voted by way of poll.

After the conclusion of the AGM, the results of the poll will be published on the website of the Stock Exchange at www.hkex.com.hk and the Company's website at www.tayang.com in accordance with Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

6. RESPONSIBILITY STATEMENT

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

7. RECOMMENDATION

The Directors are of the opinion that the proposed resolutions referred in this circular and the AGM Notice are in the best interests of the Company and the Shareholders as a whole. The Directors recommend the Shareholders to vote in favour of all the resolutions as set out in the AGM Notice.

8. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
On behalf of the Board
Ta Yang Group Holdings Limited
Shi Qi
Chairlady and Chief Executive Officer

This Appendix serves as an explanatory statement, as required by the Listing Rules, to enable Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the Repurchase Mandate.

(1) GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed that the Directors be granted a general and unconditional mandate to exercise all the power of the Company to repurchase Shares up to 10% of the issued share capital of the Company as at the date of passing of the resolution to approve the granting to the Directors the Repurchase Mandate. The Repurchase Mandate will continue to be in force during the Repurchase Period.

(2) EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 871,178,000 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company would be allowed to repurchase a maximum of 87,117,800 Shares during the Repurchase Period.

(3) SOURCE OF FUNDS

Repurchases must be funded out of funds legally available for the purpose and in accordance with the Company's constitutive documents and the laws of the jurisdiction in which the Company is incorporated or otherwise established.

(4) REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions, and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the consolidated financial position of the Company as at 31 July 2017, being the date to which the latest published audited financial statements of the Company have been made up) in the event that the Repurchase Mandate is exercised in full. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(5) SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months were as follows:

	Shares prices	
	Highest HK\$	Lowest HK\$
2016		
November	1.06	0.83
December	0.90	0.80
2017		
January	0.94	0.81
February	0.93	0.83
March	0.86	0.72
April	0.75	0.51
May	0.64	0.55
June	0.67	0.55
July	0.63	0.52
August	0.96	0.58
September	0.94	0.75
October	0.80	0.63
November (as at the Latest Practicable Date)	0.71	0.65

Source: quoted prices from the Stock Exchange's Website (www.hkex.com.hk)

(6) TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register of interest kept by the Company under section 336 of the SFO and so far as was known to the Directors, Lyton Maison Limited, being a Controlling Shareholder of the Company, held 436,540,400 Shares, representing approximately 50.11% of the entire issued share capital of the Company. Ms. Shi Qi, the Chairlady, Chief Executive Officer and executive director of the Company, is the sole director and the ultimate beneficial owner of Lyton Maison Limited. In the event that the Repurchase Mandate is exercised in full and no further Shares are issued during the Repurchase Period, the percentage of shareholding of Lyton Maison Limited would be increased to approximately 55.68% of the issued share capital of the Company, and such an increase will not give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code.

Save as disclosed above, the Directors are not aware of any other consequences which may arise under Rules 26 and 32 of the Takeovers Code. The Directors do not intend to exercise the Repurchase Mandate to an extent which would, in the circumstances, trigger any potential consequences under the Takeovers Code.

(7) SHARE PURCHASE MADE BY THE COMPANY

In the six months preceding the Latest Practicable Date, the Company had not repurchased any of its Shares (whether on the Stock Exchange or otherwise).

(8) UNDERTAKING AND DISCLOSURE OF INTERESTS

To the best of the knowledge of the Directors, having made all reasonable enquiries, none of the Directors nor any of their Close Associates have any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is approved at the AGM and exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the regulations set out in the Articles.

No Core Connected Person of the Company has notified the Company that such a person has a present intention to sell any Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is granted.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

The details of Directors proposed to be re-elected at the AGM are set out as follows:

Ms. Wang Yayuan

Ms. Wang Yayuan, aged 31, is the Non-executive of the Company since 2016. Ms. Wang holds a degree of Bachelor of Business Administration from the Chinese University of Hong Kong. She has been a Financial Risk Manager (FRM) since 2010. From 2009 to 2016, Ms. Wang worked as an Associate Director at Shenwan Hongyuan (H.K.) Limited (0218.HK), providing securities and futures brokerage service. She has extensive management experience and investment experience in Hong Kong and U.S. stock markets. From July 2016 to October 2017, she has been a Managing Director in the Leveraged and Acquisition Finance Department of Mason Securities Limited, a wholly-owned subsidiary of Mason Group Holdings Limited (0273.HK), and mainly responsible for acquisition finance and cross border finance. In addition, Ms. Wang is a famous financial columnist with over 10 years' experience writing bylined articles for newspapers in mainland China, Hong Kong and Taiwan.

Ms. Wang did not hold directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years.

Ms. Wang does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Wang did not have any interest in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Ms. Wang has entered into a service contract with the Company for a term of one year commencing from 19 December 2016, subject to termination by either party giving not less than one month's advance written notice of termination. Under the service contract, Ms. Wang's remuneration is nil.

There is no information which is discloseable nor is/was Ms. Wang involved in any of the matters required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders.

Ms. Shi Qi

Ms. Shi Qi, aged 38, is the Chairlady, Chief Executive Officers and Executive Director of the Company since 2016. Ms. Shi has obtained a Master degree of Business Administration from Centenary College, New Jersey, majoring in Finance in May 2009. She has more than 9 years of experiences in corporate reorganization, corporate and project financing, investments in real estate, securities and non-securities assets and risk management. In 2009, she founded Seven Ocean Investments Limited ("Seven Ocean"), and under the leadership of Ms. Shi, Seven Ocean has developed from a small scale financing company to a company that principally engages in providing financing and corporate solutions and consultancy services, and large scale medical and healthcare development projects. In 2015, Ms. Shi invested in the development of Central Maine Healthcare Institute, which delivers quality healthcare services in Auburn, Maine (USA). Ms. Shi will also be responsible for the on-going management and

daily operation of the Central Maine Healthcare Institute. Ms. Shi has also invested in the construction of the Central Leisure Park* (中央休閒公園) in Tongzhou Xincheng* (通州新城), Beijing, a public infrastructure covering an area of approximately 42.62 hectares and providing sports, entertainment, medical and healthcare-related services. Ms. Shi was responsible for financing, devising the conceptual design and the implementation plan and monitoring and managing the progress of the construction. Ms. Shi will also be responsible for the project's subsequent operation and maintenance for 30 years.

Ms. Shi did not hold directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years.

Ms. Shi does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Shi, the sole director and the ultimate beneficial owner of Lyton Maison Limited, the controlling shareholder of the Company, is deemed to be interested in 436,540,400 Shares (representing approximately 50.11% of the issued share capital of the Company) held by Lyton Maison Limited. Save as disclosed above, Ms. Shi did not have any other interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Ms. Shi has entered into a service contract with the Company for a term of three years commencing from 6 April 2016, subject to termination by either party giving not less than three months' advance written notice of termination. Under the service contract, Ms. Shi is entitled to a monthly salary of HKD200,000 for 12 months of a year, a discretionary bonus of one extra month's salary at the discretion of the Board of Directors (the "Board") and a discretionary management bonus at the absolute discretion of the Board. Her emoluments were determined by the Board having regard to Ms. Shi's experience, duties and responsibilities. Her monthly salary has been adjusted to HKD300,000 with effect from 1 August 2017 in consideration to her continuously contribution to the Group.

There is no information which is discloseable nor is/was Ms. Shi involved in any of the matters required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders.

Ms. Xu Chendi

Ms. Xu Chendi, aged 31, is the Executive Director of the Company since 2016. Ms. Xu graduated with first class honour from University College London, United Kingdom of science (economics) majoring in Economics and Statistics in 2007 and subsequently obtained a Master degree in Philosophy, majoring in Real Estate Finance, from University of Cambridge, United Kingdom in 2008. She has approximately 9 years of experience in real estate, lodging and leisure investment and China investment at various international investment banks. She worked at UBS AG, Hong Kong from July 2011 to September 2014 and she worked at Macquarie Group from August 2008 to June 2011. She was mainly responsible for advising clients on corporate finance transactions, both fund raising activities in Hong Kong and overseas, initial

public offering projects, and merger and acquisition transactions. She also advised on share placements and bond issuances and made recommendations on valuations on listed companies and corporate finance opportunities.

Ms. Xu did not hold directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years.

Ms. Xu does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Xu did not have any interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Ms. Xu has entered into a service contract with the Company for a term of three years commencing from 6 April 2016, subject to termination by either party giving not less than three months' advance written notice of termination. Under the service contract, Ms. Xu is entitled to a monthly salary of HKD166,666 for 12 months of a year, a discretionary bonus of one extra month's salary at the discretion of the Board and a discretionary management bonus at the absolute discretion of the Board. Her emoluments were determined by the Board having regard to Ms. Xu's experience, duties and responsibilities.

There is no information which is discloseable nor is/was Ms. Xu involved in any of the matters required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Qiu Yonghao

Mr. Qiu Yonghao, aged 37, is the Executive Director of the Company since 2016. He completed an Executive Development Program for Master in Business Administration for Chinese entrepreneurs (中國企業經營者項目 — 工商管理碩士課程研修班) from Guanghua School of Management of Peking University (北京大學光華管理學院) in September 2013. He has more than 10 years of experience in corporate management and has been a General Manager, Director or Chairman of companies that engage in real estate investments and securities investments. Mr. Qiu is a Director of Beijing Qihai Investment Limited* (北京七海投資有限公司) ("Beijing Qihai"), a company in which Ms. Shi Qi is also one of the senior management. Beijing Qihai engages in equity investment, financing, financial advisory and other professional services. It operates in a range of industries including real estate, healthcare, energy and resources. Mr. Qiu is mainly responsible for evaluating investment opportunities for Beijing Qihai.

Mr. Qiu did not hold directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years.

Save as disclosed above, Mr. Qiu does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

APPENDIX II DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

As at the Latest Practicable Date, Mr. Qiu did not have any interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Mr. Qiu has entered into a service contract with the Company for a term of three years commencing from 6 April 2016, subject to termination by either party giving not less than three months' advance written notice of termination. Under the service contract, Mr. Qiu's remuneration is nil.

There is no information which is discloseable nor is/was Mr. Qiu involved in any of the matters required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save for the above, there is no other matter that needs to be brought to the attention of the Shareholders.

* *For translation purpose only*

NOTICE OF ANNUAL GENERAL MEETING



TA YANG GROUP HOLDINGS LIMITED

大 洋 集 團 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1991)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (“AGM”) of Ta Yang Group Holdings Limited (the “Company”) will be held at Rooms 1 and 2, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Thursday, 14 December 2017 at 10:00 a.m. to transact the following ordinary businesses:

1. to receive and consider the audited consolidated financial statements of the Company and its subsidiaries (the “Group”) and the reports of the directors and auditors of the Company for the year ended 31 July 2017;
2. to consider the re-election of the Directors, each as separate resolution;
3. to authorize the board (the “Board”) of Directors to fix the remuneration of the Directors;
4. to re-appoint auditors and authorize the Board to fix their remuneration;

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

5. **“THAT**
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the “Shares”) or securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for shares of the Company or such convertible securities, and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under any option scheme or similar arrangement for the time being adopted by the Company and/or any of its subsidiaries for the grant or issue to eligible participants thereunder or rights to acquire shares in the capital of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

(d) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier 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 articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meetings.

“**Rights Issue**” means the allotment, issue or grant of shares or securities convertible into Shares pursuant to an offer of Shares open for a period fixed by the Directors to the holders of shares or of such securities or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or of such securities or any class thereof as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange applicable to the Company).”

6. “**THAT**

(a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and

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the Stock Exchange for this purpose, and, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;

- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above of this Resolution during the Relevant Period shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
 - (c) for the purpose of this Resolution, “**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier 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 articles of association of the Company or any applicable laws to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meetings.”
7. “**THAT** conditional upon Resolutions nos. 5 and 6 being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with Shares and to make or grant offers, agreements and options which would or might require the exercise of such powers pursuant to Resolution no. 5 be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company since the granting of a general mandate to the Directors to exercise the powers of the Company to purchase such shares pursuant to Resolution no. 6, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”

By Order of the Board
Ta Yang Group Holdings Limited
Shi Qi
Chairlady and Chief Executive Officer

Hong Kong, 14 November 2017

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Registered Office:

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

Principal Place of Business in Hong Kong:

Flat 28, 23rd Floor
Metro Centre II
21 Lam Hing Street
Kowloon Bay, Kowloon
Hong Kong

As at the date hereof, the Board of the Company has four executive directors, namely Ms. Shi Qi, Ms. Xu Chendi, Mr. Qiu Yonghao and Mr. Huang Te-Wei, three non-executive directors, namely Mr. Gao Feng, Mr. Han Lei and Ms. Wang Yayuan and two independent non-executive directors, namely Ms. Zhang Lijuan and Mr. Pak Wai Keung, Martin.

Notes:

1. A shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxy(ies) (if he/she/it is the holder of two or more shares) to attend and vote on poll instead of him/her at the AGM that the appointment shall specify the number and class of shares in respect of which such proxy is so appointed. A proxy need not be a member of the Company.
2. In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of authority, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
3. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
4. Where there are joint registered holders of any shares, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled thereto, but if more one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.
5. In order to determine members who are entitled to attend the annual general meeting of the Company to be held on Thursday, 14 December 2017, the register of members of the Company will be closed from Tuesday, 12 December 2017 to Thursday, 14 December 2017, both days inclusive, during which period no transfer of shares can be registered. All transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not later than 4:30 p.m. on Monday, 11 December 2017.
6. Save for resolutions approving the procedural and administrative matters, any voting of the meeting should be taken by poll.
7. If Typhoon Signal No. 8 or above is expected to be hoisted or a Black Rainstorm Warning Signal is expected to be in force any time after 7:30 a.m. on the date of the meeting, then the meeting will be postponed. The Company will post an announcement on the website of the Company (www.tayang.com) and HKExnews website (www.hkexnews.hk) to notify shareholders of the date, time and place of the rescheduled meeting. The meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.