

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 your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Guocang Group Limited** (the “**Company**”), you should at once hand this circular and the enclosed 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 transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



GUOCANG GROUP LIMITED

國藏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 559)

**(1) GENERAL MANDATES
TO REPURCHASE AND ISSUE SHARES,
(2) RE-ELECTION OF DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company (the “**AGM**”) to be held at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Tuesday, 2 December 2014 at 11:00 a.m. is set out in pages 12 to 16 of this circular.

A form of proxy for the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding of the AGM or at any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment thereof (as the case may be) should you so wish.

31 October 2014

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Tuesday, 2 December 2014 at 11:00 a.m., notice of which is set out in Appendix III to this circular;
“associate(s)”	has the meaning ascribed thereto under the Listing Rules;
“Board”	the board of Directors of the Company;
“Bye-laws”	the bye-laws of the Company;
“Company”	Guocang Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 559);
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with new Shares of the Company up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM;
“Latest Practicable Date”	24 October 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.05 each in the capital of the Company;
“Shareholder(s)”	the holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.



GUOCANG GROUP LIMITED

國藏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 559)

Executive Directors:

Mr. Wong Hin Shek (*Chairman*)

Mr. Chi Chi Hung, Kenneth (*Chief Executive Officer*)

Independent Non-Executive Directors:

Mr. Chiu Wai On

Mr. Man Kwok Leung

Dr. Wong Yun Kuen

Principal place of business

in Hong Kong:

Suite 3908, 39/F.

Tower Two, Times Square

1 Matheson Street

Causeway Bay

Hong Kong

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

31 October 2014

*To the Shareholders and, for information only,
the option holders of the Company*

Dear Sir/Madam,

**(1) GENERAL MANDATES
TO REPURCHASE AND ISSUE SHARES,
(2) RE-ELECTION OF DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM which include (i) the grant of the Repurchase Mandate and the Issue Mandate; and (ii) the re-election of Directors.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution will be proposed that the Directors be granted a general and unconditional mandate to exercise all the powers of the Company to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM.

Assuming no further Shares are issued and repurchased prior to the AGM and based on the issued share capital of the Company of 3,594,413,900 Shares as at the Latest Practicable Date, the Company would be allowed to repurchase a maximum of 359,441,390 Shares under the Repurchase Mandate.

GENERAL MANDATE TO ISSUE SHARES

An ordinary resolution will also be proposed that the Directors be granted a general and unconditional mandate to exercise all the powers of the Company to allot, issue and deal with new Shares of the Company of up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution at the AGM.

Assuming no further Shares are issued or repurchased prior to the AGM and based on the issued share capital of the Company of 3,594,413,900 Shares as at the Latest Practicable Date, the Company would be allowed to allot and issue a maximum of 718,882,780 Shares under the Issue Mandate.

In addition, an ordinary resolution will be proposed at the AGM adding any Shares repurchased under the Repurchase Mandate to the Issue Mandate. The Repurchase Mandate and the Issue Mandate would continue to be in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolutions of the Shareholders in a general meeting held prior to the next annual general meeting of the Company.

An explanatory statement required by the Listing Rules in connection with the proposed general mandate to repurchase Shares is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions at the AGM.

RE-ELECTION OF DIRECTORS

According to Bye-law 87, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

According to the above provision, Mr. Wong Hin Shek and Mr. Chiu Wai On will retire from office as Directors at the AGM and Mr. Wong Hin Shek and Mr. Chiu Wai On being eligible, will offer themselves for re-election.

LETTER FROM THE BOARD

Details of Mr. Wong Hin Shek and Mr. Chiu Wai On, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix II to this circular.

AGM

Notice of the AGM is set out in Appendix III to this circular. A proxy form for appointing proxy is despatched with this circular and published on the website of the Stock Exchange (www.hkex.com.hk). Whether or not you are able to attend the AGM in person, you are requested to complete the proxy form and return it to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or the adjourned meeting. Completion and return of a proxy form will not preclude you from attending and voting at the meeting in person or at any adjournment thereof should you so wish.

Pursuant to rule 13.39(4) of the Listing Rules and Bye-law 66, the resolutions set out in the notice of the AGM will be put to the vote by way of a poll.

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest that is required to abstain from voting on any of the resolutions to be proposed at the AGM.

RECOMMENDATION

The Directors consider that the proposed (1) granting of the general mandates to the Directors to repurchase Shares and to issue new shares and adding any Shares repurchased under the Repurchase Mandate to the Issue Mandate (including the extended mandate stipulates under the ordinary resolution set out in paragraph C of item 4) and (2) the re-election of Directors are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

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.

Yours faithfully,
By Order of the Board
Guocang Group Limited
Wong Hin Shek
Chairman and Executive Director

This appendix serves as an explanatory statement, as required by rule 10.06 of the Listing Rules, to provide certain information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 3,594,413,900 Shares in issue.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 359,441,390 Shares.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders 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 and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate shall be funded out of funds legally available for such purpose in accordance with the Bye-laws and the applicable laws of Bermuda. Under Bermuda law, repurchased shares will be cancelled and the Company's issued share capital will be reduced by the nominal value of the repurchased shares accordingly. However, the aggregate amount of the Company's authorised capital will not be reduced.

4. GENERAL

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 audited accounts contained in the annual report for the year ended 30 June 2014) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the 12 months preceding the Latest Practicable Date:

Month	Share Prices Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
October	0.445	0.290
November	0.440	0.345
December	0.430	0.350
2014		
January	0.400	0.285
February	0.360	0.295
March	0.340	0.248
April	0.290	0.238
May	0.270	0.239
June	0.255	0.210
July	0.242	0.215
August	0.230	0.200
September	0.295	0.199
October (up to the Latest Practicable Date)	0.560	0.375

6. UNDERTAKING

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 and the applicable laws of Bermuda.

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor any of their respective associates, has any present intention to sell any Shares to the Company or its subsidiaries, if the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any connected person (as defined in the Listing Rules) that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company or its subsidiaries, if the Repurchase Mandate is approved by the Shareholders.

7. TAKEOVERS CODE

In the event that the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, 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 a 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, so far as the Directors are aware, the following Shareholders had interests in 5% or more of the issued share capital of the Company:

Name of Shareholders	Number of Shares interested (Note 1)	Approximate % of issued share capital as at the Latest Practicable Date	Approximate % of issued share capital if Repurchase Mandate is exercised in full
Goldsure Limited (Note 2)	1,238,095,238 (L)	34.44%	38.27%
Mr. Tang Tong (Note 2)	1,238,095,238 (L)	34.44%	38.27%
Intense Rise Holdings Limited (Note 3)	870,007,125 (L)	24.20%	26.89%
Mr. Choy Shiu Tim (Note 3)	1,050,007,125 (L)	29.21%	32.46%
Wise Profit Group Limited (Note 4)	418,210,000 (L)	11.63%	12.93%
Mr. Wong Yat Fai (Note 4)	420,850,000 (L)	11.71%	13.01%

Notes:

1. The letter (L) denotes the person's long position in such securities.
2. The 1,238,095,238 convertible preference shares are held by Goldsure Limited, which is wholly-owned by Mr. Tang Tong. Thus, he is deemed to be interested in the 1,238,095,238 convertible preference shares held by Goldsure Limited pursuant to the SFO.
3. The 870,007,125 Shares out of the 1,050,007,125 Shares are held by Intense Rise Holdings Limited, which is wholly-owned by Mr. Choy Shiu Tim. Thus, he is deemed to be interested in the 870,007,125 Shares held by Intense Rise Holdings Limited pursuant to the SFO.
4. The 418,210,000 Shares out of the 420,850,000 Shares are held by Wise Profit Group Limited, which is wholly-owned by Mr. Wong Yat Fai. Thus, he is deemed to be interested in the 418,210,000 Shares held by Wise Profit Group Limited pursuant to the SFO.

In the event that the Directors exercise the proposed Repurchase Mandate in full, the increase in shareholdings of Mr. Choy Shiu Tim in the Company would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as holding of voting rights in the Company by Mr. Choy Shiu Tim and parties acting in concert with him will be more than 30% of the aggregate voting rights of the Company. Despite of the aforesaid,

the Directors have no present intention to exercise the Repurchase Mandate to such extent as would result in Mr. Choy Shiu Tim being required to make a mandatory offer under the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

8. SHARE REPURCHASE MADE BY THE COMPANY

In the six months preceding the Latest Practicable Date for this circular, the Company had not repurchased Shares, whether on the Stock Exchange or otherwise.

Pursuant to the Listing Rules, the particulars of the Directors who will retire at the AGM according to the Bye-laws and proposed to be re-elected at the AGM are provided below:

EXECUTIVE DIRECTOR

Mr. Wong Hin Shek (“Mr. Wong”), aged 44, has been appointed as the Chairman and Executive Director of the Company since July 2009. He has over 20 years of experience in the investment banking industry. Mr. Wong holds a Master of Science (Financial Management) degree from University of London in United Kingdom and a Bachelor of Commerce degree from University of Toronto in Canada. Mr. Wong is also a responsible officer of Veda Capital Limited, a licensed corporation which carries out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance. He has been involved in the management, business development and strategic investment of listed companies in Hong Kong. Mr. Wong was an executive director of EverChina Int’l Holdings Company Limited (formerly known as “Interchina Holdings Company Limited”) (stock code: 202) from October 2011 to August 2012 and KuangChi Science Limited (formerly known as “Climax International Company Limited”) (stock code: 439) from June 2007 to August 2014.

As at the Latest Practicable Date, Mr. Wong in the capacity of beneficial owner, has interest in 29,900,000 underlying Shares, representing approximately 0.83% of the issued share capital of the Company. Save as disclosed herein, Mr. Wong does not have any other interests in the shares or underlying shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Wong entered into a letter of appointment with the Company. For the year ended 30 June 2014, he is entitled to an annual director’s fee of HK\$2,950,000 which was determined on the basis of his previous experience, professional qualifications as well as the current financial position of the Company and the prevailing market conditions. Mr. Wong has no fixed term of service with the Company but he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

Save as disclosed above, (i) Mr. Wong has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past 3 years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no other matter about Mr. Wong which is required to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules or needs to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chiu Wai On (“**Mr. Chiu**”), aged 44, joined the Company since June 2009. Mr. Chiu is also the chairman of each of the audit committee, remuneration committee and nomination committee of the Company. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Chiu possesses over 10 years of professional experience in accounting and auditing services. Mr. Chiu is also an independent non-executive director of New Times Energy Corporation Limited (stock code: 166).

As at the date hereof, Mr. Chiu does not have any other interests in the shares or underlying shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Chiu entered into a letter of appointment with the Company. For the year ended 30 June 2014, he is entitled to an annual director’s fee of HK\$100,000 which was determined on the basis of his previous experience, professional qualifications as well as the current financial position of the Company and the prevailing market conditions. Mr. Chiu has no fixed term of service with the Company but he is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

Save as disclosed above, (i) Mr. Chiu has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past 3 years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no other matter about Mr. Chiu which is required to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules or needs to be brought to the attention of the Shareholders.

**GUOCANG GROUP LIMITED****國藏集團有限公司***(Incorporated in Bermuda with limited liability)***(Stock code: 559)****NOTICE OF 2014 ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the 2014 Annual General Meeting (the “**Meeting**”) of Guocang Group Limited (the “**Company**”) will be held at 3/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong, on Tuesday, 2 December 2014 at 11:00 a.m. to consider and, if thought fit, transact the following ordinary businesses:

1. to receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Director(s)**”) and of the auditor for the year ended 30 June 2014.
2. 2.1 each as a separate resolution, to re-elect the following retiring Directors:
 - 2.1.1 Mr. Wong Hin Shek as executive Director; and
 - 2.1.2 Mr. Chiu Wai On as independent non-executive Director.
- 2.2 to authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
3. to re-appoint BDO Limited as the Company’s auditor and to authorise the Board to fix its remuneration.

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

4. A. “**THAT:**
 - (a) subject to paragraph (c) of this resolution, the exercise by the Director during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with the additional shares of HK\$0.05 each in the capital of the Company (the “**Shares**”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, 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) of this resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options including bonds warrants, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company, which would or might require the exercise of such powers after the expiry of the Relevant Period (as hereinafter defined);
- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) of this resolution, otherwise than pursuant to:
- (1) a Rights Issue (as hereinafter defined);
 - (2) the exercise of rights of subscription or conversion attaching to any warrants, bonds, debentures, notes and other securities issued by the Company or any securities which are convertible into Shares;
 - (3) scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time;
 - (4) the exercise of options granted under the share option schemes of the Company adopted from time to time in accordance with The Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”);
 - (5) the exercise of any conversion rights attaching to any convertible notes issued or to be issued by the Company; and
 - (6) a specified authority granted by the shareholders of the Company in general meeting;

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 approval granted in paragraph (a) of this resolution shall be limited accordingly; and

- (d) 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 laws to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of Shares, or an offer or issue of warrants, options or other securities giving rights to subscribe for Shares, open for a period fixed by the Directors to the shareholders of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares 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, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

B. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on the Stock Exchange or on any other stock exchanges on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose (“**Recognised Stock Exchange**”), subject to and in accordance with all applicable laws and the requirements of the Listing Rules or those of any other Recognised Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which the Company is authorised to repurchase pursuant to the approval granted in paragraph (a) of this resolution during the Relevant Period (as hereinafter defined) shall not exceed 10% 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 approval granted under paragraph (a) of this resolution shall 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 laws to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
- C. “**THAT** conditional upon the passing of the resolutions set out in paragraphs A and B of item 4 in the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with Shares or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements, and options which would or might require the exercise of such powers, pursuant to resolution set out in paragraph A of item 4 above be and is hereby extended by the addition to the aggregate nominal amount of share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate, an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution set out in paragraph B of item 4 above provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

By Order of the Board
Guocang Group Limited
Wong Hin Shek
Chairman and Executive Director

Hong Kong, 31 October 2014

Notes:

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong together with any power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjournment thereof.
- (2) Completion and return of the form of proxy shall not preclude a member from attending and voting in person at the Meeting or on the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

- (3) As at the date of this notice, Mr. Wong Hin Shek and Mr. Chi Chi Hung, Kenneth being the executive Directors and Mr. Chiu Wai On, Mr. Man Kwok Leung and Dr. Wong Yun Kuen being the independent non-executive Directors.