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潼關黃金集團有限公司 Tongguan Gold Group Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 00340)

PROPOSED ADOPTION OF NEW BYE-LAWS

This announcement is made by Tongguan Gold Group Limited (the “**Company**”) pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The existing bye-laws of the Company (the “**Existing Bye-laws**”) have not been amended since 30 May 2005. With a view solely to bringing the Existing Bye-laws in line with certain amendments to the Listing Rules and the Companies Act 1981 of Bermuda (as amended) between 30 May 2005 and now, the board of directors of the Company (the “**Directors**”) (the “**Board**”) proposes to amend the Existing Bye-laws. The proposed amendments to the Existing Bye-laws will enable the Company to meet the requirements of the relevant laws and regulations and normative documents of Bermuda and Hong Kong, which in turn help the Company in improving its corporate governance standards. The Board proposes to adopt a new set of bye-laws of the Company (the “**New Bye-laws**”) in substitution for, and to the exclusion of, the Existing Bye-laws.

The major areas of the proposed amendments that will be incorporated in the New Bye-laws are summarized below:

1. to hold an annual general meeting in each financial, rather than calendar, year and to change the maximum time that may elapse between such annual general meetings;
2. to include the right of any member(s) holding a minimum percentage (of not more than ten per cent. (10%)) of the issued share capital of the Company carrying the right to vote to add resolutions to a meeting agenda;
3. to provide that all Directors appointed by the Board, whether to fill a casual vacancy or as an addition to the Board, shall hold office until the next annual general meeting, at which time they must retire and be subject to re-election;
4. to revise the exceptions to the matters on which a Director must abstain from voting at a meeting of the Directors;

5. to specify that all shareholders of the Company (the “**Shareholders**”) have the right to speak and vote at general meetings, unless specifically required to abstain from voting by the Listing Rules;
6. to require an extraordinary, rather than special, resolution of Shareholders to remove the auditors of the Company;
7. to ensure votes of Shareholders at a general meeting must be taken by poll except where the chairman of such general meeting 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;
8. to provide that a matter should be dealt with by a physical Board meeting rather than a written resolution if a substantial member or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material;
9. to remove prohibitions on providing financial assistance;
10. to allow paperless transfers of the ordinary shares of HK\$0.1 each in the capital of the Company; and
11. to change the solvency test allowing the Company to declare dividends or distributions when recording a profit, notwithstanding that the Company may carry a negative retained earnings balance.

The proposed adoption of the New Bye-laws is subject to the approval of the Shareholders by way of a special resolution at the forthcoming annual general meeting of the Company to be held on 10 June 2022 (the “**AGM**”). A circular containing, among other things, particulars relating to the proposed amendments to the Existing Bye-laws brought about by the adoption of the New Bye-laws together with a notice convening the AGM will be despatched to the Shareholders in due course.

By Order of the Board

Tongguan Gold Group Limited

Yeung Kwok Kuen

Executive Director and Chief Financial Officer

Hong Kong, 28 March 2022

As at the date of this announcement, the board of directors of the Company comprises Mr. Yeung Kwok Kuen, Mr. Shi Xing Zhi and Mr. Shi Sheng Li as executive directors, Mr. Chu Kang Nam, Mr. Liang Xu Shu and Mr. Leung Ka Wo as independent non-executive directors.