

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



寶業集團股份有限公司
BAOYE GROUP COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 2355)

NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

NOTICE IS HEREBY GIVEN that a class meeting for holders of H Shares (the “**Class Meeting**”) of Baoye Group Company Limited (the “**Company**”) will be held at 2nd Floor, Baoye Group, No.501, Shanyin West Road, Keqiao District, Shaoxing City, Zhejiang Province, the People’s Republic of China (the “**PRC**”) at 11:00 a.m. on 14 June 2014 (or immediately after the annual general meeting of the Company to be convened and held on the same date and at the same place) for the following purpose of considering and if thought fit, passing the following resolution:

Special Resolution

To authorise the board (the “**Board**”) of directors (the “**Directors**”) of the Company to repurchase H Shares of the Company (the “**H Shares**”) subject to the following conditions:

- (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H Shares in issue of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
- (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of the passing of this special resolution;

* For identification purposes only

- (c) the approval in paragraph (a) above shall be conditional upon:
- (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the AGM of the Company to be held on 14 June 2014; and the class meetings for holders of H Shares of the Company and for holders of Domestic Shares of the Company to be held on 14 June 2014; and
 - (ii) the approval of the SAFE of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;
- (d) for the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting following the passing of this special resolution;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting or by a special resolution of holders of H Shares or holders of Domestic Shares of the Company at their respective class meetings; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
- (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

By order of the Board
Baoye Group Company Limited*
Pang Baogen
Chairman

Zhejiang Province, the PRC
25 April 2014

* *For identification purposes only*

Notes:

1. The register of members of the Company will be closed from 14 May 2014 to 14 June 2014, both dates inclusive, during which period no share transfers will be effected. In order to qualify for attending and voting at the Class Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Shares registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on 13 May 2014.
2. Holders of H Shares entitled to attend and vote at the Class Meeting may appoint one or more proxies to attend and to vote on their behalves. A proxy need not be a member of the Company.
3. In order to be valid, the proxy form must be deposited by hand or by post, to the H Shares registrar of the Company, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, before the time for holding the Class Meeting or not less than 48 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
4. Shareholders or their proxies shall present their identity documents when attending the Class Meeting.
5. 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 related purely to a procedural or administrative matter to be voted by a show of hands. On a poll, every shareholder present in person or by proxy shall have one vote for each share registered in his/her name in the register of members. A shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same manner.
6. Shareholders who intend to attend the Class Meeting should complete and return the reply slip and return it by hand or by post to the H Share registrar of the Company on or before 9 June 2014.
7. The Class Meeting for holders of H Shares is expected to take half an hour after the AGM. Shareholders attending the Class Meeting shall be responsible for their own travel and accommodation expenses.

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Pang Baogen, Mr. Gao Lin, Mr. Gao Jiming, Mr. Gao Jun and Mr. Jin Jixiang; one non-executive Director, namely Mr. Fung Ching, Simon and three independent non-executive Directors, namely Mr. Chan Yin Ming, Dennis, Mr. Wang Youqing and Mr. Zhao Rulong.