

CHINA ASSETS (HOLDINGS) LIMITED

(Incorporated in Hong Kong with Limited Liability)

(Stock Code : 170)

PROCEDURES FOR SHAREHOLDER TO ELECT DIRECTOR

If a shareholder (“the said shareholder”) wishes to propose a person (“the said person”) other than an existing director of the Company for election as a director at the general meeting appointed for such election (“the General Meeting”), the said shareholder may give written notice to the Company containing the following information relating to the said person for the Company to consider whether he/she is suitable for election as a director of the Company and able to satisfy the requirements of The Stock Exchange of Hong Kong Limited (“the Exchange”) as to his/her character, experience and integrity and also his/her fitness and competence to act as a director. In assessing the eligibility of the said person, the Exchange will take the following information into account:-

- (a) his/her years of experience in professional management of investments on behalf of third party investors and/or providing investment advisory services to professional/institutional investors;
- (b) the types and geographical coverage of the investments he/she managed;
- (c) the fund sizes (including investment objectives and policies) and performance during the period under his/her management which should essentially be comparable to the proposed size of the Company to enable the Exchange to appraise his/her experience in managing third party funds; Performance indicators such as the net asset value of the managed funds; their absolute performance; and their relative performance compared to that of other major managed funds and relevant indexes should be disclosed.
- (d) his/her role and responsibilities in the present and past job positions, and how his/her work experience would help them perform his/her roles in the Company taking into consideration the performance of the funds managed;
- (e) details of his/her licenses, academic and professional qualifications, including the year they were obtained and the granting institutions; and
- (f) any breaches of laws, rules and regulations in the relevant industry which have bearing on his/her integrity and/or competence.

Pursuant to Article 56 of the Company's Articles of Association and section 566 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance"), shareholders representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings of the Company shall have the right to request the directors of the Company to call a general meeting of the Company by sending a request authenticated by the shareholder(s) making it to the Company in hard copy form or in electronic form stating the general nature of the business to be dealt with at such meeting, including election of director(s). If within 21 days after the date the directors become required to call a general meeting they fail to proceed to convene such meeting for a day not more than 28 days after the date of the notice convening the meeting, the shareholder(s) who requested the meeting, or any of them representing more than one-half of the total voting rights of all of them, may themselves call a general meeting in accordance with the provisions of section 568 of the Companies Ordinance.

(Adopted on 3 March 2014)

The Chinese version of this document is for reference only. In case of any discrepancies or inconsistency between the English version and Chinese version, the English version prevails.