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**If you are in doubt** about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your Shares in **Ko Yo Chemical (Group) Limited**, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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**Ko Yo Chemical (Group) Limited**

**玖源化工(集團)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 0827)**

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

A notice convening an annual general meeting of Ko Yo Chemical (Group) Limited (the “Company”) to be held at Suite No. 02, 31st Floor, Sino Plaza, 255–257 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 31 May 2022, at 3:00 p.m., is set out on pages 14 to 19 of this circular. A form of proxy for use at the annual general meeting is also enclosed.

Whether or not you intend to attend the annual general meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, together with any power of attorney or other authority, under which it is signed, or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or any adjournment thereof. The completion and return of the form of the proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meetings should you so desire and in such event, the form of proxy shall be deemed to be revoked.

**PRECAUTIONARY MEASURES FOR AGM**

Please see page 3 of this circular for measures being taken to try to prevent and control the spread of the novel coronavirus (COVID-19) at the AGM. Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the AGM venue.

13 April 2022

## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Suite No. 02, 31st Floor, Sino Plaza, 255–257 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 31 May 2022, at 3:00 p.m., notice of which is set out on pages 14 to 19 of this circular
“Board”	the Board of Directors
“Company”	Ko Yo Chemical (Group) 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
“Corporate Governance Code”	the Code on Corporate Governance Practices set out in Appendix 14 to the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Issue Mandate”	the general mandate granted to the Directors on 28 May 2021 to exercise the powers of the Company to allot, issue and otherwise deal with Shares during the relevant period of up to 20% of the aggregate number of the issued Shares of the Company as at date of relevant resolution
“Existing Repurchase Mandate”	the general mandate granted to the Directors on 28 May 2021 to exercise the powers of the Company to repurchase Shares during the relevant period of up to 10% of the aggregate number of the issued Shares of the Company as at date of relevant resolution
“Latest Practicable Date”	8 April 2022, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to dispatch of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ordinary Resolution(s)”	means the proposed ordinary resolution(s) in respect of the special business as referred to in the notice of Annual General Meeting

## DEFINITIONS

“Proposed Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with Shares during the relevant period of up to a maximum of 20% of the total issued Shares of the Company as at the date of passing the Resolution No. 5 as set out in the notice of the Annual General Meeting
“Proposed Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase Shares during the relevant period up to a maximum of 10% of the total issued Shares of the Company as at the date of passing the Resolution No. 6 as set out in the notice of the Annual General Meeting
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of par value HK\$0.10 each in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Codes on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong

## PRECAUTIONARY MEASURES FOR AGM

In view of the ongoing Novel Coronavirus (“**COVID-19**”) pandemic and recent requirements, if any, for prevention and control of its spread, the Company will implement the following preventive measures at its AGM:

- (i) Compulsory body temperature check will be conducted on every shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the AGM venue and be asked to leave the AGM venue.
- (ii) Shareholders that (a) have travelled, and have been in close contact with any person who has travelled, outside of Hong Kong (as per guidelines issued by the Hong Kong government at <https://www.chp.gov.hk/en/features/102742.html>) at any time in the preceding 14 days; (b) are, and have been, in close contact with any person who is, subject to any Hong Kong Government prescribed compulsory quarantine (including home quarantine); (c) are, and have been, in close contact with anyone who has contracted COVID-19, has been tested preliminarily positive of COVID-19 or is suspected of contracting COVID-19; or (d) have any flu-like symptoms, may be denied entry into the AGM venue and be asked to leave the AGM venue.
- (iii) All Shareholders, proxies and other attendees are required to wear surgical face masks inside the AGM venue at all times. Any person who does not comply with this requirement may be denied entry into the AGM venue and be asked to leave the AGM venue. A safe distance between seats are also recommended.
- (iv) No refreshments will be served, and there will be no corporate gifts.

To enable Shareholders to participate in the AGM and to speak and observe in relation to the resolution(s) to be resolved at the AGM, Shareholders not attending the AGM in person may join a live streaming webcast of the AGM where they can both speak and see during the discussion session at the AGM via Zoom at zoom link address. Shareholders that intend to participate in the AGM via Zoom shall contact the Company’s share registrar in Hong Kong, Union Registrars Limited before 4:00 p.m. on Friday, 27 May 2022 to obtain a passcode to join the AGM via the following means:

By email: 827AGM@unionregistrars.com.hk      By telephone: (852) 2849 3399

Registration will require the following personal particulars:

- a) full name;
- b) registered address;
- c) number of shares held;
- d) contact telephone number; and
- e) email address.

## **PRECAUTIONARY MEASURES FOR AGM**

Shareholders should note that viewing the live streaming webcast of the AGM via Zoom will not be counted towards a quorum nor will they be able to cast their votes online. Shareholders who wish to vote are strongly encouraged to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the AGM by completing and returning the proxy form in accordance with the instructions therein by a time not less than 48 hours before the time appointed for the AGM (i.e. 3:00 p.m. on Sunday, 29 May 2022).

To the extent permitted under the applicable laws, the Company reserves the right to deny any person entry into the AGM venue or require any person to leave the AGM venue so as to ensure the health and safety of the other attendees at the AGM. Subject to the development of COVID-19, the Company may be required to change the AGM arrangements at short notice. Shareholders should check the websites of the Company ([www.koyochem.com](http://www.koyochem.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) for further announcements and updates on the AGM arrangements.

In addition, the Company reminds all Shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights.

Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document. If any Shareholder chooses not to attend the meeting in person but has any questions about any resolutions or about the Company, or has any matter for communication with the Board, he/she is welcome to send such questions or matter in writing to our registered office. If any Shareholder has any questions relating to the meeting, please contact the Company's share registrar in Hong Kong, Union Registrars Limited at (852) 2849 3399.

LETTER FROM THE BOARD



**Ko Yo Chemical (Group) Limited**

**玖源化工(集團)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 0827)**

*Executive Directors:*

Mr. Tang Guoqiang (*Chairman*)  
Mr. Shi Jianmin (*Chief Executive Officer*)  
Mr. Zhang Weihua

*Independent Non-executive Directors:*

Mr. Hu Xiaoping  
Mr. Xu Congcai  
Mr. Le Yiren

*Registered Office:*

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

*Principal place of business  
in Hong Kong:*

Suite No. 02, 31st Floor  
Sino Plaza  
255-257 Gloucester Road  
Causeway Bay  
Hong Kong

13 April 2022

*To the Shareholders*

Dear Sir or Madam,

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

**INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the Annual General Meeting for (a) the re-election of retiring Directors; (b) the renewal of the Existing Issue Mandate; (c) the renewal of the Existing Repurchase Mandate; and (d) the extension of the Proposed Issue Mandate by adding to it the aggregate number of the Shares to be repurchased under the Proposed Repurchase Mandate.

## LETTER FROM THE BOARD

### RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 87 of the articles of association of the Company and to ensure the compliance with the Corporate Governance Code, the following Directors, namely, Mr. Xu Congcai and Mr. Le Yiren will retire at the Annual General Meeting.

The Independent Non-Executive Directors of the Company are appointed with specific terms inside the letter of appointment for initial fixed terms of two years. Pursuant to A.4.3 of the Corporate Governance Code (the “Corporate Governance Code”) set out in Appendix 14 of the Listing Rules, any further appointment of an Independent Non-Executive Director in excess of nine years should subject to a separate resolution to be approved by shareholders. Mr. Hu Xiaoping was appointed as Independent Non-Executive Directors in June 2003 and will severe on the Board for more than nineteen years in June 2022. Therefore, Mr. Hu Xiaoping should retire and re-election at the forthcoming annual general meeting.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders’ approval at the relevant general meeting. Brief biographical details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

### GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 28 May 2021, ordinary resolutions were passed granting the Existing Issue Mandate and Existing Repurchase Mandate to the Directors. In accordance with the provisions of the Listing Rules and the terms of the Existing Issue Mandate and Existing Repurchase Mandate, the Existing Issue Mandate and Existing Repurchase Mandate will expire at the conclusion of the Annual General Meeting.

Resolution No. 5 in the notice of the Annual General Meeting will be proposed at the Annual General Meeting to renew the Existing Issue Mandate. The Proposed Issue Mandate will confer on the Directors the power to allot, issue and otherwise deal with Shares of up to 20% of the aggregate number of the Shares of the Company in issue as at the date of passing the relevant resolution granting such mandate. The number of new Shares can be allotted under the Proposed Issue Mandate is 1,145,608,519 based on the issued Shares at the Latest Practicable Date.

Resolution No. 6 in the notice of the Annual General Meeting will also be proposed at the Annual General Meeting to renew the Existing Repurchase Mandate. Moreover, Resolution No. 7 will be proposed to extend the Proposed Issue Mandate only after exercised the Proposed Repurchase Mandate, provide that such extended amount representing the aggregate number of the Shares of the Company purchased under the Proposed Repurchase Mandate shall not exceed 10% of the aggregate number of the Shares of the Company in issue at the date of passing the Resolution No. 6. Such mandates will continue in force until the conclusion of the next annual general meeting of the Company, or the expiration of the period within the next annual general meeting of the Company is required by law or the articles of

## LETTER FROM THE BOARD

association to be held, or until the general mandates are revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever is the earliest. With reference to the proposed new general mandates, the Directors wish to state that they have no immediate plans to issue or repurchase any Shares pursuant to the relevant mandates.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Proposed Repurchase Mandate containing 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 Annual General Meeting is set out in the Appendix I to this circular.

### **ANNUAL GENERAL MEETING**

A notice of the Annual General Meeting is set out on pages 14 to 19 of this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed as special businesses to approve the Proposed Issue Mandate, the Proposed Repurchase Mandate, the extension of the Proposed Issue Mandate and the re-election of retiring Directors.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend the meeting in person, please complete the form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, together with any power of attorney or other authority, under which it is signed, or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or any adjournment thereof. The completion and return of the form of the proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meetings should you so desire and in such event, the form of proxy shall be deemed to be revoked.

In accordance with the Rule 13.39(4) of Listing Rules, all votes of the Shareholders to be taken at the Annual General Meeting must be taken by poll, and an announcement of the results of which will be published on the date of the Annual General Meeting or the business day following the Annual General Meeting as prescribed under Rule 13.39(5) of the Listing Rules.



## LETTER FROM THE BOARD

### RECOMMENDATION

The Directors are of the opinion that the proposals referred to above are in the best interests of the Company and therefore recommend you to vote in favour of the relevant resolutions in relation to the Proposed Issue Mandate, Proposed Repurchase Mandate, the extension of the Proposed Issue Mandate and re-election of directors at the Annual General Meeting.

Yours faithfully,  
For and on behalf of the Board of  
**Ko Yo Chemical (Group) Limited**  
**Tang Guoqiang**  
*Chairman*

The explanatory statement contains all the information required to be given to the Shareholders pursuant to the requirement of Listing Rules. The purpose of this explanatory statement is to provide the Shareholders with all information reasonably necessary for them to make an informed decision as to whether to pass the resolution approving the Proposed Repurchase Mandate at the Annual General Meeting.

## **1. RELEVANT LEGAL AND REGULATORY REQUIREMENTS IN HONG KONG**

### **(a) Shareholders' approval**

All repurchase of Shares, which must be fully paid up, on the Stock Exchange, by the Company on the Stock Exchange must be approved in advance by an ordinary resolution of Shareholders of the Company, either by way of a general mandate or by specific approval in relation to specific transactions.

### **(b) Source of funds**

All repurchases by the Company must be funded out of funds legally available for the purpose in accordance with the applicable laws of the Cayman Islands and the articles of association of the Company. The Company may not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under Cayman Islands law, any repurchases by the Company may be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purposes of the repurchase or, under certain circumstances, out of capital. Any premium payable on a repurchase must be made out of the profits of the Company or out of the Company's share premium account before or at the time the shares are purchased or, under certain circumstances, out of capital. If payment is made out of capital, the Company must be able to pay its debts as they fall due in the ordinary course of business.

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 latest published audited consolidated accounts contained in the annual report for the year ended 31 December 2021 in the event that the Proposed Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Proposed Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

### **(c) Connected parties**

The Company shall not knowingly repurchase Shares on the Stock Exchange from a "connected person", that is, a director, chief executive, substantial shareholder or management shareholder of the Company or any of their associates (as defined in the Listing Rules) and a connected person shall not knowingly sell his Shares to the Company on the Stock Exchange. As at the Latest Practicable Date, so far as is known to the Company, no connected persons have notified the Company that they have a present intention to sell the Shares.

**(d) Takeovers code**

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

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.

**2. REASONS FOR REPURCHASES**

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

**3. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 5,728,042,599 Shares of par value HK\$0.10 each. Subject to the passing of the resolution granting the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 572,804,259 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by applicable laws of the Cayman Islands or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

#### 4. SECURITIES PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date:

<b>Month</b>	<b>Highest trade price <i>HK\$</i></b>	<b>Lowest trade price <i>HK\$</i></b>
<b>2021</b>		
March	0.185	0.079
April	0.160	0.083
May	0.090	0.085
June	0.096	0.080
July	0.091	0.083
August	0.187	0.086
September	0.150	0.118
October	0.145	0.129
November	0.199	0.128
December	0.199	0.175
<b>2022</b>		
January	0.375	0.184
February	0.335	0.290
March	0.365	0.210
April (up to the Latest Practicable Date)	0.270	0.233

#### 5. GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors nor any of their associates currently intends to sell any Shares to the Company or its subsidiaries in the event that the Proposed Repurchase Mandate is approved.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and the laws of the Cayman Islands.

There have been no repurchases of any securities of the Company made in the previous six months (whether on the Stock Exchange or otherwise). The Directors have no present intention to exercise in full the power to repurchase Shares proposed to be granted pursuant to the Proposed Repurchase Mandate.

The details of the retiring directors proposed to be re-elected at the Annual General Meeting are set out as follows:

### **Xu Congcai**

#### *Independent Non-executive Director*

Mr. Xu Congcai (“Mr. Xu”), aged 69, is an Independent Non-Executive Director of the Group. He received a bachelor degree in political economics from Anhui University of Finance and Economics (formerly known as Anhui Institute of Finance and Trade) and in 1998, received a doctorate in economics from the School of Economics, Fudan University. Mr. Xu was admitted to the Special Allowance Program for Outstanding Experts sponsored by the State Council. In 1996, he was recognized as a Young and Middle-aged Expert with Outstanding Contribution. In 2002, he began to serve as an instructor for doctoral candidates to be admitted to the industrial economics programs in Renmin University of China. Currently, he is a professor at Nanjing University of Finance and Economics, a vice president at the Commerce Economy Association of China, a member of the Seventh Session of the Higher Education Institution Approval Committee under the Ministry of Education (from 2017 to 2021), and an executive dean of Taihu University of Wuxi. In addition, Mr. Xu is an independent director of Daqian Ecology and Landscape Co. Ltd. He was previously an independent director of Wuxi Rural Commercial Bank.

Mr. Xu does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Mr. Xu does not have any interest in shares of the Company within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Xu. If re-elected, Mr. Xu will be appointed for a specific term of two years and his emoluments will be determined by the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market conditions. The director’s fee of Mr. Xu for the year ended 31 December 2021 was HK\$200,000 which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

### **Le Yiren**

#### *Independent Non-executive Director*

Mr. Le Yiren, aged 59, is the vice chairman of the Association of China Commercial Enterprise Management since September 2019 and an independent non-executive director of Jiangyin Rural Commercial Bank Co. Ltd., whose shares are listed on the Shenzhen Stock Exchange (stock code: 002807) since April 2019. Mr. Le is currently serving as a director of each of Suzhou Aibo Venture Capital Co., Limited, Jiangsu Yangshan Silicon Material Technology Co., Limited, Suzhou Longhan Investment Management Co., Limited and Jiangsu Zhongmei Tongji Investment Co., Limited. Mr. Le was the vice president of Fengde Capital Limited from 2004 to 2005 and founded Nanjing Yuanhan Enterprise Management Co., Limited (formerly known as Nanjing Bofa Investment Consulting Co., Limited) in 2006. Mr.

Le graduated from the Gradual School of Chinese Academy of Social Science with a master's degree in Monetary Banking in 1997, a doctorate degree in social sciences in 2002, then successively engaged in post-doctoral research in applied economics between August 2002 and July 2008. Mr. Le was a committee member of the Senior Technical Position Review Committee of the Industrial and Commercial Bank of China, a distinguished professor at the Graduate School of the Chinese Academy of Social Sciences and a researcher at the School of Social Development of Nanjing Normal University. He was appointed as an Independent Non-Executive Director of the Group on 1 July 2021.

Mr. Le does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Mr. Xu does not have any interest in shares of the Company within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Le. If re-elected, Mr. Le will be appointed for a specific term of two years and his emoluments will be determined by the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. The director's fee of Mr. Le for the year ended 31 December 2021 was HK\$100,000 which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

### **Hu Xiaoping**

#### *Independent Non-executive Director*

Mr. Hu Xiaoping ("Mr. Hu"), aged 71, has a bachelor degree in Economics from Sichuan Institute of Finance and Economics in 1982 and a master degree in Economics from South University of Finance and Economics in 1987. Mr. Hu is currently a professor of the Southwest University of Finance and Economics. Mr. Hu has been involved in various research projects at both the provincial and state level and has published numerous articles in financial and economics publications in the PRC. Mr. Hu was appointed as an independent non-executive director in June 2003. Save as disclosed above, Mr. Hu did not hold any directorship in other publicly listed companies in the last three years.

Mr. Hu does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. Other than the personal interests of 400,000 share options of the Company, Mr. Hu does not have any interest in shares of the Company within the meaning of Part XV of the SFO.

There is no service agreement between the Company and Mr. Hu. If re-elected, Mr. Hu will be appointed for a specific term of two years and his emoluments will be determined by the Remuneration Committee of the Company with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market conditions. The director's fee of Mr. Hu for the year ended 31 December 2021 was HK\$200,000 which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

## NOTICE OF ANNUAL GENERAL MEETING



### **Ko Yo Chemical (Group) Limited**

### **玖源化工(集團)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 0827)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the members of Ko Yo Chemical (Group) Limited (the “Company”) will be held at Suite No. 02, 31st Floor, Sino Plaza, 255–257 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 31 May 2022 at 3:00 p.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries, the reports of the directors and the auditors, the environmental, social and governance report and the corporate governance report for the year ended 31 December 2021;
2. To consider the re-election of the retiring directors of the Company;
3. To consider and authorize the board of directors (the “Board”) of the Company to fix the directors’ remunerations;
4. To consider the re-appointment of ZHONGHUI ANDA CPA Limited as auditors of the Company and to authorize the Board to fix their remuneration; and

As special business, to consider and if thought fit, pass the following resolutions as ordinary resolutions:

5. **“THAT:**
  - (a) subject to sub-paragraph (c) below, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with the ordinary shares of par value HK\$0.10 each (the “Shares”) in the capital of the Company and to make an offer or agreement or grant an option which would or might require such Shares to be allotted and issued be generally and unconditionally approved;

## NOTICE OF ANNUAL GENERAL MEETING

- (b) the Directors be authorized to make an offer or agreement or grant an option during the Relevant Period which would or might require Shares in the capital of the Company to be allotted and issued either during or after the end of the Relevant Period pursuant to sub-paragraph (a) above;
- (c) the aggregate number of the Shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approvals in sub-paragraphs (a) and (b) above, otherwise than pursuant to a rights issue (as defined below) or pursuant to the exercise of options which may be granted under the share option schemes adopted by the Company or an issue of Shares of the Company in lieu of the whole or part of a dividend on Shares of the Company in accordance with the articles of association of the Company, shall not exceed the aggregate of:
  - (i) 20% of the aggregate number of the Shares of the Company in issue; and
  - (ii) conditional on the passing of Resolution No. 7 below, the aggregate number of the Shares of the Company purchased under the authority referred to in Resolution No. 6;
- (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 following the passing of this resolution; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the articles of association of the Company to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and

“rights issue” means the allotment or issue of Shares in the Company or other securities which would or might require Shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the laws of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of Shares or such other equity securities.”



## NOTICE OF ANNUAL GENERAL MEETING

6. **“THAT:**

(a) the Directors be granted a general mandate to exercise all the powers of the Company to purchase its own securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which shares in the capital of the Company may be listed and which is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, such number of securities as will represent up to 10% of the aggregate number of the Shares of the Company in issue, during the Relevant Period (defined below) in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) (as amended from time to time) (or of such other stock exchange);

(b) 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 following the passing of this resolution; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the articles of association of the Company to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

7. **“THAT** the unconditional general mandate referred to in Resolution No. 5 above be extended by the addition to the aggregate number of the Shares of the Company which may be allotted or agreed to be allotted by the Directors pursuant to such unconditional general mandate of an amount representing the aggregate number of the Shares of the Company purchased by the Company pursuant to the mandate to purchase securities referred to in Resolution No. 6 above, provided that such extended amount shall not exceed 10% of the aggregate number of the Shares of the Company in issue.”

On behalf of the board  
**Chung Tin Ming**  
*Company Secretary*

Hong Kong, 13 April 2022

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, in the event of, a poll, vote instead of him. A proxy need not be a member of the Company.
- (2) In order to be valid, the form of proxy must be deposited with the Company's share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, together with any power of attorney or other authority, under which it is signed, or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or any adjournment thereof.
- (3) Where there are joint holders of any shares in the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint holders are present at the meeting, the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- (4) Concerning Resolutions No. 5 and No. 6, the Board wishes to state that there is no immediate plan to issue any new shares or to repurchase any shares of the Company. The general mandates are being sought from shareholders in compliance with the Companies Law (Law 3 of 1961, as revised and consolidated) of the Cayman Islands and the Listing Rules.
- (5) The Register of Members of the Company will be closed from Thursday, 26 May 2022 to Tuesday, 31 May 2022, both days inclusive, during which period no share transfers will be effected. In order to ascertain shareholders' rights for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Wednesday, 25 May 2022.
- (6) If Typhoon Signal No. 8 or above, or a "black" rainstorm warning or "extreme conditions after super typhoons" announced by the Government of Hong Kong is/are in effect any time after 12:00 noon on the date of the Annual General Meeting, the meeting will be postponed. The Company will publish an announcement on the website of the Company at [www.koyochem.com](http://www.koyochem.com) and on the HKExnews website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify Shareholders of the date, time and venue of the rescheduled meeting.

## NOTICE OF ANNUAL GENERAL MEETING

### PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing Novel Coronavirus (“COVID-19”) pandemic and recent requirements, if any, for prevention and control of its spread, the Company will implement the following preventive measures at its AGM:

- (i) Compulsory body temperature check will be conducted on every shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the AGM venue and be asked to leave the AGM venue.
- (ii) Shareholders that (a) have travelled, and have been in close contact with any person who has travelled, outside of Hong Kong (as per guidelines issued by the Hong Kong government at <https://www.chp.gov.hk/en/features/102742.html>) at any time in the preceding 14 days; (b) are, and have been, in close contact with any person who is, subject to any Hong Kong Government prescribed compulsory quarantine (including home quarantine); (c) are, and have been, in close contact with anyone who has contracted COVID-19, has been tested preliminarily positive of COVID-19 or is suspected of contracting COVID-19; or (d) have any flu-like symptoms, may be denied entry into the AGM venue and be asked to leave the AGM venue.
- (iii) All shareholders, proxies and other attendees are required to wear surgical face masks inside the AGM venue at all times. Any person who does not comply with this requirement may be denied entry into the AGM venue and be asked to leave the AGM venue. A safe distance between seats are also recommended.
- (iv) No refreshments will be served, and there will be no corporate gifts.

To enable Shareholders to participate in the AGM and to speak and observe in relation to the resolution(s) to be resolved at the AGM, Shareholders not attending the AGM in person may join a live streaming webcast of the AGM where they can both speak and see during the discussion session at the AGM via Zoom at zoom link address. Shareholders that intend to participate in the AGM via Zoom shall contact the Company’s share registrar in Hong Kong, Union Registrars Limited before 4:00 p.m. on Friday, 27 May 2022 to obtain a passcode to join the AGM via the following means:

By email: 827AGM@unionregistrars.com.hk      By telephone: (852) 2849 3399

Registration will require the following personal particulars:

- a) full name;
- b) registered address;
- c) number of shares held;
- d) contact telephone number; and
- e) email address.

## NOTICE OF ANNUAL GENERAL MEETING

Shareholders should note that viewing the live streaming webcast of the AGM via Zoom will not be counted towards a quorum nor will they be able to cast their votes online. Shareholders who wish to vote are strongly encouraged to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the AGM by completing and returning the proxy form in accordance with the instructions therein by a time not less than 48 hours before the time appointed for the AGM (i.e. 3:00 p.m. on Sunday, 29 May 2022).

To the extent permitted under the applicable laws, the Company reserves the right to deny any person entry into the AGM venue or require any person to leave the AGM venue so as to ensure the health and safety of the other attendees at the AGM. Subject to the development of COVID-19, the Company may be required to change the AGM arrangements at short notice. Shareholders should check the websites of the Company ([www.koyochem.com](http://www.koyochem.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) for further announcements and updates on the AGM arrangements.

In addition, the Company reminds all Shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights.

Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document. If any Shareholder chooses not to attend the meeting in person but has any questions about any resolutions or about the Company, or has any matter for communication with the Board, he/she is welcome to send such questions or matter in writing to our registered office. If any Shareholder has any questions relating to the meeting, please contact the Company's share registrar in Hong Kong, Union Registrars Limited at (852) 2849 3399.