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**If you are in any doubt** about this circular or as to the action to be taken, you should consult your licensed securities dealer 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 China Healthcare Enterprise Group Limited (the “Company”), you should at once hand this circular together with 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 the transferee.

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**HEALTHCARE**  
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**CHINA HEALTHCARE ENTERPRISE GROUP LIMITED**

**華夏健康產業集團有限公司**

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

**(Stock code: 1143)**

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

A notice convening the annual general meeting of the Company to be held on 29 May 2017 (Monday) at 11:00 a.m. at 1804A, 18/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong is set out on pages 12 to 15 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof should you so desire.

27 April 2017

<b>CONTENTS</b>
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	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	3
<b>APPENDIX I — EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE</b> .....	6
<b>APPENDIX II — DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM</b> .....	9
<b>NOTICE OF ANNUAL GENERAL MEETING</b> .....	12

## 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 on 29 May 2017 (Monday) at 11:00 a.m. at 1804A, 18/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong;
“AGM Notice”	the notice convening the AGM set out on pages 12 to 15 of this circular;
“Articles”	the articles of association of the Company;
“associates”	has the same meaning as defined in the Listing Rules;
“Board”	the board of Directors;
“Company”	China Healthcare Enterprise Group Limited, a company incorporated in the Cayman Islands with limited liability and the securities of which are listed on the Stock Exchange;
“connected person(s)”	has the same meaning as defined in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot and issue Shares set out as resolution no. 4 in the AGM Notice;
“Latest Practicable Date”	24 April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan Region;

## DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares set out as resolution no. 5 in the AGM Notice;
“SFO”	Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.001 each in the capital of the Company;
“Shareholder(s)”	holder(s) of (a) Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

LETTER FROM THE BOARD



HEALTHCARE

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**CHINA HEALTHCARE ENTERPRISE GROUP LIMITED**

**華夏健康產業集團有限公司**

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

**(Stock code: 1143)**

*Executive Directors:*

Mr. Gong Shaoxiang  
Mr. Lee Chi Hwa Joshua

*Non-Executive Directors:*

Mr. Cao Yuyun  
Mr. Chan Kin Sang

*Independent Non-executive Directors:*

Mr. Bao Jinqiao  
Mr. Wong Chun Hung  
Mr. Leung Pok Man

*Registered Office:*

Clifton House  
75 Fort Street  
PO Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

*Head Office and Principal Place of  
Business in Hong Kong:*

Suites 5815-5816  
58/F., Two International Finance Centre,  
No. 8 Finance Street,  
Central, Hong Kong

27 April 2017

*To the Shareholders*

Dear Sir or Madam,

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

**INTRODUCTION**

The purpose of this circular is to: (i) provide you with details of the proposed Issue Mandate and the proposed Repurchase Mandate; (ii) set out an explanatory statement regarding the Repurchase Mandate; (iii) furnish you details of the proposed re-election of Directors; and (iv) give you notice of the AGM.

## LETTER FROM THE BOARD

### GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 31 May 2016, ordinary resolutions were passed to grant general mandates to the Directors (i) to issue additional Shares not exceeding 20% of issued share capital of the Company as at the date of passing the relevant resolutions; (ii) to repurchase Shares not exceeding 10% of the issued share capital of the Company as at the date of passing the relevant resolutions; and (iii) to extend the general mandate to issue Shares to include the aggregate number of shares repurchased by the Company. Unless otherwise renewed, the existing mandates to issue and repurchase Shares will lapse at the conclusion of the AGM.

Ordinary resolutions will be proposed at the AGM to grant to the Directors general mandates:

- (i) to allot, issue and otherwise deal with new Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM; and
- (ii) to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the proposed resolution at the AGM.

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if granted to the Directors at the AGM).

The Directors have no present intention to exercise the Issue Mandate or the Repurchase Mandate (if granted to the Directors at the AGM).

As at the Latest Practicable Date, a total of 4,955,311,400 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued and/or repurchased by the Company prior to the AGM, the Company will be allowed to issue a maximum of 991,062,280 Shares representing 20% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

An explanatory statement containing information regarding the Repurchase Mandate is set out in the Appendix I to this circular.

### RE-ELECTION OF DIRECTORS

In accordance with Articles 108(a) and 108 (b) of the Articles of Association, Mr. Gong Shaoxiang and Mr. Leung Pok Man will retire at the AGM and, being eligible, will offer themselves for re-election at the AGM. In accordance with Article 112 of the Articles of Association, Mr. Chan Kin Sang will retire at the AGM and, being eligible, will offer himself for re-election at the AGM. Particulars of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

## LETTER FROM THE BOARD

### AGM

A notice convening the AGM to be held on 29 May 2017 (Monday) at 11:00 a.m. at 1804A, 18/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong is set out on pages 12 to 15 of this circular for the purpose of considering and, if thought fit, passing the resolutions set out therein. Under Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at the AGM must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter (as defined in the Note to Rule 13.39(4) of the Listing Rules) to be voted on by a show of hands.

The register of members of the Company will be closed from 24 May 2017 (Wednesday) to 29 May 2017 (Monday), both dates inclusive, during such period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share register of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 23 May 2017 (Tuesday).

You will find enclosed a form of proxy for use at the AGM. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar of the Company, Tricor Investor Services 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 the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM, or any adjourned meeting thereof should you so desire.

### 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.

### RECOMMENDATION

The Directors consider that the granting of the Issue Mandate, the Repurchase Mandate and the re-election of the Directors are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the relevant resolutions as set out in the AGM Notice at the AGM.

By Order of the Board  
**China Healthcare Enterprise Group Limited**  
**Gong Shaoxiang**  
*Chairman and Executive Director*

This appendix includes an explanatory statement required by the Stock Exchange to be presented to the Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors in the AGM.

### **1. LISTING RULES RELATING TO REPURCHASES OF SHARES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of shares must be approved by shareholders in advance by an ordinary resolution at a general meeting, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

### **2. FUNDING AND IMPACT OF REPURCHASES**

Any repurchase will be made out of funds which are legally available for the purpose in accordance with the memorandum and articles of association of the Company, the Listing Rules and the applicable laws of the Cayman Islands. Any repurchase of Shares will be made out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purpose of the purchase or, if authorised by the Articles and subject to the laws of the Cayman Islands, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles and subject to the laws of the Cayman Islands, out of capital. In accordance with the laws of the Cayman Islands, the shares so repurchased would be treated as cancelled.

As compared with the financial position of the Company as at 31 December 2016 (being the date to which the latest audited accounts of the Company have been made up), the Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

### **3. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors 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 of the Company and/or its earning per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.



#### 4. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,955,311,400 Shares.

Subject to the passing of the relevant ordinary resolutions to approve the general mandates to issue and repurchase Shares and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the AGM, the Directors would be authorised to exercise the powers of the Company to repurchase a maximum of 495,531,140 Shares, being 10% of the issued share capital of the Company.

#### 5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the memorandum and articles of association of the Company.

#### 6. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of 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 purpose of the Takeovers Code.

As a result, a Shareholder or a group of Shareholders acting in concert (as that term is defined in the Takeovers Code), depending on the level of increase of the Shareholder's 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, to the best of the knowledge and belief of the Directors, the controlling shareholder of the Company is Power Port Holdings Limited ("**Power Port**") which owns 1,516,340,000 Shares (approximately 30.60%) of the issued share capital of the Company. Power Port is a company of which is wholly and beneficially owned by Mr. Yang Zhihui. In the event that the Repurchase Mandate was exercised in full, and assuming that no other Shares are issued or repurchased prior to the AGM, the interest of Power Port would be increased to 34.00% of the issued Shares, and such increase would give rise to an obligation on the part of Power Port to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such an extent that results in a public shareholding of less than the minimum public float requirement of 25% of the total issued share capital of the Company.

#### 7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates has any present intention, in the event that the proposed Repurchase Mandate is granted, to sell Shares to the Company. No

connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares.

## 8. SHARE REPURCHASE MADE BY THE COMPANY

The Company did not purchase any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

## 9. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 calendar months prior to the Latest Practicable Date:

	Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2016</b>		
April	0.900	0.560
May	0.740	0.520
June	0.550	0.275
July	0.440	0.102
August	0.192	0.104
September	0.163	0.126
October	0.151	0.130
November	0.147	0.121
December	0.140	0.110
<b>2017</b>		
January	0.125	0.111
February	0.120	0.110
March	0.150	0.103
April (up to the Latest Practicable Date)	0.108	0.087

**Mr. Gong Shaoxiang** (“**Mr. Gong**”), aged 43, is an Executive Director of the Company since 4 November 2015. Mr. Gong has ample experience in corporate operation and management. He was a director of Gosun Holding Co., Ltd (formerly known as Hubei Landing Holding Co., Limited) (shares of which are listed on Shenzhen Stock Exchange, stock code: 000971) from August 2012 to December 2014. Mr. Gong has been the chairman and general manager of a local property developing company in the PRC since May 2014.

Save as disclosed above, Mr. Gong does not hold any directorship in other listed companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Gong does not have any long or short position in the Company pursuant to Part XV of SFO.

There is no service contract signed between the Company and Mr. Gong. Mr. Gong is subject to retirement by rotation at least once every three years in accordance with the memorandum and articles of association of the Company. Mr. Gong is currently entitled to a director’s fee of HK\$1,000,000 per annum, which is determined with reference to the prevailing market rate and his duties and responsibilities in the Company. Mr. Gong’s remuneration is subject to review by the Board and Remuneration Committee of the Company.

In addition, Mr. Gong is not aware of any other matters that need to be brought to the attention of the Shareholders. As advised by Mr. Gong, there is no other information that should be disclosed pursuant to paragraph 13.51(2) of the Listing Rules.

**Mr. Chan Kin Sang** (“**Mr. Chan**”), aged 64, is a Non-Executive Director of the Company since 18 October 2016. Mr. Chan is the senior partner of Messrs. Peter K. S. Chan & Co., Solicitors and Notaries and a Fellow of the Hong Kong Institute of Directors. Mr. Chan has been a practicing solicitor in Hong Kong since 1982, he was also admitted as a Notary Public in 1997 and was appointed as a China-appointed Attesting Officer in 2000. He now acts as an independent non-executive director of several Hong Kong and overseas listed companies, namely China Taifeng Beddings Holdings Limited (Stock Code: 873), Tianhe Chemicals Group Limited (Stock Code: 1619) and China Fortune Financial Group Limited (Stock Code: 290) listed on the Stock Exchange; and Luxking Group Holdings Limited (Stock Code: BKK) listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). Mr. Chan also acts as a non-executive director of Pan Hong Holdings Group Limited (Stock Code: P36) listed on SGX-ST; and act as a director of Guanghe Landscape Culture Communication Co., Ltd, Shanxi (Stock Code: 600234) listed on the Shanghai Stock Exchange.

Mr. Chan was an independent non-executive director of People’s Food Holdings Limited (Stock Code: P05) listed on SGX-ST from February 2001 to January 2014, Munsun Capital Group Limited (formerly known as China Precious Metal Resources Holdings Co., Limited) (Stock Code: 1194), Tianjin TEDA Biomedical Engineering Company Limited (Stock Code: 8189) and Runway Global Holdings Company Limited (Stock Code: 1520) listed on the Stock Exchange from June 2004 to October 2016, from May 2013 to December 2016 and from

October 2015 to December 2016, respectively. Mr. Chan also act as the non-executive director of Combest Holdings Limited (Stock Code: 8190) listed on the Growth Enterprise Market of the Stock Exchange from June 2011 to January 2017.

Save as disclosed above, Mr. Chan does not hold any directorship in other listed companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Chan does not have any long or short position in the Company pursuant to Part XV of SFO.

There is no service contract signed between the Company and Mr. Chan. Mr. Chan is appointed for a term of three years commencing from 18 October 2016 and is subject to retirement by rotation at least once every three years in accordance with the memorandum of articles of association of the Company. Mr. Chan is currently entitled to a director's fee of HK\$120,000 per annum, which is determined with reference to the prevailing market rate and his duties and responsibilities in the Company. Mr. Chan's remuneration is subject to review by the Board and Remuneration Committee of the Company.

In addition, Mr. Chan is not aware of any other matters that need to be brought to the attention of the Shareholders. As advised by Mr. Chan, there is no other information that should be disclosed pursuant to paragraph 13.51(2) of the Listing Rules.

**Mr. Leung Pok Man** ("Mr. Leung"), aged 48, is an Independent Non-Executive Director of the Company since 4 November 2015. Mr. Leung was graduated from York University in Toronto, Canada with a bachelor degree in arts. He has over 15 years' experience in sales management & business development in the industry relating to information technology and audio visual systems. He is currently the sales and business development consultant of a trading company of information technology and network products and mobile accessories.

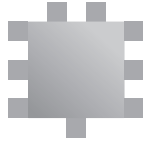
Save as disclosed above, Mr. Leung does not hold any directorship in other listed companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Leung does not have any long or short position in the Company pursuant to Part XV of SFO.

There is no service contract signed between the Company and Mr. Leung. Mr. Leung is appointed for a term of three years commencing from 4 November 2015 and is subject to retirement by rotation at least once every three years in accordance with the memorandum of articles of association of the Company. Mr. Leung is currently entitled to a director's fee of HK\$240,000 per annum, which is determined with reference to the prevailing market rate and his duties and responsibilities in the Company. Mr. Leung's remuneration is subject to review by the Board and Remuneration Committee of the Company.

In addition, Mr. Leung is not aware of any other matters that need to be brought to the attention of the Shareholders. As advised by Mr. Leung, there is no other information that should be disclosed pursuant to paragraph 13.51(2) of the Listing Rules.

# NOTICE OF ANNUAL GENERAL MEETING



HEALTHCARE

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## CHINA HEALTHCARE ENTERPRISE GROUP LIMITED

華夏健康產業集團有限公司

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

(Stock code: 1143)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “**Meeting**”) of China Healthcare Enterprise Group Limited (the “**Company**”) will be on 29 May 2017 (Monday) at 11:00 a.m. at 1804A, 18/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

#### ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated accounts and reports of the directors and auditors of the Company and its subsidiaries for the year ended 31 December 2016.
2. To re-appoint RSM Hong Kong Certified Public Accountants as auditors of the Company and the board of directors of the Company (the “**Board**”) be authorised to fix their remuneration.
3.
  - (a) To re-elect Mr. Gong Shaoxiang as an executive Director of the Company and the Board be authorised to fix his director’s remuneration
  - (b) To re-elect Mr. Chan Kin Sang as a non-executive Director of the Company and the Board be authorised to fix his director’s remuneration
  - (c) To re-elect Mr. Leung Pok Man as an independent non-executive Director of the Company and the Board be authorised to fix his director’s remuneration
4. “**THAT:**
  - (A) subject to paragraph (C) of this resolution below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers,

## NOTICE OF ANNUAL GENERAL MEETING

agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (B) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might or would require the exercise of such powers (including but not limited to the power to allot, issue and deal with additional shares in the capital of the Company) during or after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (A) and (B) of this resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares in the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this resolution and the said approval shall be limited accordingly; and
- (D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the 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 laws of the Cayman Islands or the Articles 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.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

## NOTICE OF ANNUAL GENERAL MEETING

5. **“THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange 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, and that the exercise by the Directors of all powers of the Company to repurchase such shares are subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby, generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (C) the aggregate nominal amount of share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the time of passing this resolution and the said approval shall be limited accordingly; and
- (D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the 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 laws of the Cayman Islands or the Articles 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.”
6. **“THAT** conditional upon the passing of Resolutions 4 and 5 as set out in this notice convening the Meeting of which this Resolution forms part, the general mandate granted to the Directors pursuant to Resolution 4 as set out in this notice convening the Meeting of which this Resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 5 as set out in this notice convening the Meeting of which



## NOTICE OF ANNUAL GENERAL MEETING

this Resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”

By Order of the Board  
**China Healthcare Enterprise Group Limited**  
**Gong Shaoxiang**  
*Chairman and Executive Director*

Hong Kong, 27 April 2017

*Notes:*

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. The register of members of the Company will be closed from 24 May 2017 (Wednesday) to 29 May 2017 (Monday), both dates inclusive, during such period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 23 May 2017 (Tuesday).
4. To be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the office of the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
5. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
6. Where there are joint holders of any shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of 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 of the Company in respect of the joint holding.
7. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting if the member so desire and in such event, the instrument appointing a proxy should be deemed to be revoked.
8. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against the ordinary resolution no. 5 as set out in this notice is enclosed.
9. Details of the Directors proposed to be re-elected as Directors of the Company at the Meeting are set out in Appendix II to this circular.
10. A form of proxy for use at the Meeting is enclosed.