
IMPORTANT

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 Blockchain Group Company Limited, you should at once hand this circular to the purchaser or the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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BLOCKCHAIN GP
區塊鏈集團有限公司

BLOCKCHAIN GROUP COMPANY LIMITED

區塊鏈集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 364)

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, EXTENSION OF GENERAL MANDATE TO ISSUE SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

Resolutions will be proposed at the annual general meeting of Blockchain Group Company Limited (the “AGM”) to be held at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Thursday, 7 June 2018 at 11:00 a.m. to approve the matters referred to in this circular. Whether or not you are able to attend the AGM in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing the proxy shall be deemed to be revoked.

27 April 2018

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DEFINITIONS

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

“AGM”	an annual general meeting of the Company to be held at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Thursday, 7 June 2018 at 11:00 a.m. to consider and, if thought fit, approve the resolutions as set out in the notice of which is set out on pages 19 to 22 of this circular, or any adjournment thereof;
“Articles of Association”	the existing articles of association of the Company;
“Board”	the board of Directors;
“Companies Law”	the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as the same is amended, modified and/or supplemented from time to time;
“Company”	Blockchain Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code:364);
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the proposed issue mandate to be granted to the Directors to allot, issue and deal with Shares not exceeding 20% of the issued shares of the Company as at the date of passing the resolution for approving the issue mandate;
“Latest Practicable Date”	19 April 2018, being the latest practicable date prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Repurchase Mandate”	the proposed repurchase mandate to be granted to the Directors to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued shares of the Company as at the date of passing the resolution for approving the repurchase mandate;

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.2 each in the share capital of the Company;
“Shareholder(s)”	registered holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time; and
“%”	per cent.

LETTER FROM THE BOARD



BLOCKCHAIN GP
區塊鏈集團有限公司

BLOCKCHAIN GROUP COMPANY LIMITED 區塊鏈集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 364)

Executive Directors:

Mr. Cai Zhenrong (*Joint Chairman*)
Mr. Li Dongfan (*Joint Chairman*)
Mr. Yan Ximao (*Vice Chairman*)
Mr. Cai Zhenyao
Mr. Cai Zhenying
Mr. Cai Yangbo (*Managing Director*)
Mr. Choi Wing Toon
Mr. Chen Wenfang

Non-executive Director:

Mr. Su Yichao

Independent non-executive Directors:

Mr. Lawrence Gonzaga
Mr. Chin Hon Siang
Mr. Wang Qidong
Mr. Liao Haosheng

Registered office in the Cayman Islands:

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

Principal place of business in Hong Kong:

Room 3505, West Tower
Shun Tak Centre
200 Connaught Road Central
Hong Kong

27 April 2018

*To the Shareholders, and, for information only,
holders of the share options of the Company*

Dear Sir/Madam,

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, EXTENSION OF GENERAL MANDATE TO ISSUE SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the ordinary resolutions to be proposed at the AGM for the approval of (a) the Issue Mandate; (b) the Repurchase

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Mandate; (c) the extension of the Issue Mandate; and (d) the re-election of retiring Directors. This circular contains the explanatory statement and gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions approving the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of the retiring Directors.

2. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 28 June 2017, an ordinary resolution was passed by the Shareholders granting the existing Issue Mandate to the Directors.

An ordinary resolution will be proposed at the AGM to revoke the existing Issue Mandate and to grant to the Directors a fresh Issue Mandate, i.e. a general and unconditional mandate to allot, issue and deal with, otherwise by way of rights issue or any option scheme(s) or similar arrangements 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 acquire shares in the Company or any shares of the Company issued as scrip dividends pursuant to the Articles of Association, additional Shares with an amount not exceeding 20% of the issued shares of the Company at the date of the passing of such resolution. Based on 1,184,843,454 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the AGM, the Directors will be able to allot, issue and deal with for up to a total of 236,968,690 Shares if the Issue Mandate is granted at the AGM, which will remain in effect until 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 to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

3. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 28 June 2017, an ordinary resolution was passed by the Shareholders granting the existing Repurchase Mandate to the Directors.

An ordinary resolution will be proposed at the AGM to revoke the existing Repurchase Mandate and to grant to the Directors a fresh Repurchase Mandate, i.e. a general and unconditional mandate to repurchase Shares subject to the maximum of up to 10% of the issued shares of the Company at the date of passing of such resolution. The fresh Repurchase Mandate, if granted, will remain in effect until 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 to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

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4. EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

Subject to conditional on the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate of an amount representing the Shares repurchased by the Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the total number of Shares in issue on the date of passing the resolution for approving the Issue Mandate.

5. RE-ELECTION OF RETIRING DIRECTORS

In relation to ordinary resolution number 2 set out in the notice of the AGM regarding the re-election of retiring Directors, namely Mr. Cai Zhenyao, Mr. Cai Yangbo and Mr. Choi Wing Toon, the executive Directors, the aforesaid Directors shall retire as Directors by rotation at the AGM pursuant to articles 84(1) and 84(2) of the Articles of Association and the Listing Rules, and, being eligible, will offer themselves for re-election.

Mr. Li Dongfan, Mr. Yan Ximao and Mr. Chen Wenfang, the executive Directors and Mr. Su Yichao, the non-executive Director, Mr. Wang Qidong and Mr. Liao Haosheng, the independent non-executive Directors, shall hold office only until the AGM pursuant to article 83(3) of the Articles of Association and the Listing Rules, and, being eligible, will offer themselves for re-election.

Mr. Li Dongfan

Mr. Li Dongfan, aged 31, is an executive Director and the joint chairman of the Company. Mr. Li Dongfan was an entrepreneur in his early days. He started running industrial factories after 2003 and founded Ming and Hang Mechanics and Electrics* (明恒機電) and Minggao Automation* (明高自動化), both were the earliest research, development and production of robotics and artificial intelligence companies in the PRC. He then actively involved in the financial sector through development and exploration. Mr. Li Dongfan has been engaging in financial sector for years with strong systematic philosophy, innovative mind, ample financial experiences and practical capability gained from work, in addition to his astute insight and analytical skills. Mr. Li Dongfan has successively planned various major domestic acquisition and restructuring deals that gained him a wealth of guiding experiences in corporate restructuring, mergers, innovation and development. Mr. Li Dongfan founded Moody Group in 2007 and joined Defu Group as a founder in 2013 serving as the president of investment banking headquarters. Mr. Li Dongfan has been appointed as an executive director and the chairman of the board of directors of Wang Tai Holdings Limited (Stock code: 1400) with effect from 17 April 2018. He was also appointed as the director of a few subsidiaries of the Company.

Save as disclosed above, Mr. Li Dongfan has not held directorship in other listed companies in the past three years or any other positions with the Company and other members of the Company's group. Mr. Li Dongfan has no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Li Dongfan does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders.

LETTER FROM THE BOARD

Mr. Li Dongfan has entered into an appointment letter with the Company for a term of two years commencing from 13 November 2017, which shall be terminated by either party giving not less than one month's notice in writing to the other party. Mr. Li Dongfan is entitled to an annual remuneration of HK\$480,000, which is determined by the Board upon negotiation between Mr. Li Dongfan and the Company at arm's length on the basis of his previous experience, professional qualification, responsibility to be involved in the Company and the amount of time devoted to the Company's business as well as the prevailing market conditions. Mr. Li Dongfan will be subjected to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the Articles of Association.

As at the Latest Practicable Date, Mr. Li Dongfan does not have any interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Li Dongfan has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Yan Ximao

Mr. Yan Ximao, aged 39, is an executive Director and the vice chairman of the Company. Mr. Yan Ximao has been engaged in the electronic technology industry for many years. Mr. Yan Ximao was the general manager of Shenzhen Haotian Electronics Development Co. Ltd. (深圳市浩天電子開發有限公司) from 2000 to 2007. Subsequently, he served as the chairman of Shenzhen Mingke Century Technology Co. Ltd. (明科世紀(深圳)科技 有限公司) in 2008 and the general manager of Shenzhen Haotian Electronic Technology Co. Ltd. (深圳市浩天電子技術有限公司) in 2010, respectively. In 2011, Mr. Yan Ximao obtained a master's degree in business administration from University College Sedaya International in Malaysia (馬來西亞思特雅大學).

Mr. Yan Ximao has extensive experience in investment and fund management. During the recent years, he has also participated in the applications of public blockchains and digital assets. He has extensive experience in the fields of fundamental blockchains and public blockchains. He is currently a Commercial Structure Consultant and Venture Capitalist of Zhengjia Commercial Co. Ltd. (正家商業顧問有限公司). At the same time, he founded Ling Qi Wu Wu Fund (Shenzhen) Co. Ltd. (零柒伍伍基金(深圳)有限公司) in 2016. Mr. Yan Ximao has been a partner of Sequoia Capital (Hong Kong) Fund Management Limited (紅杉資本(香港)基金管理有限公司) and the president of Hong Yi Capital Holdings Group (弘壹資本控股集團) since January and October 2017, respectively.

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Save as disclosed above, Mr. Yan Ximao has not held directorship in other listed companies in the past three years or any other positions with the Company and other members of the Company's group. Mr. Yan Ximao has no interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Yan Ximao does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Mr. Yan Ximao has entered into an appointment letter with the Company for a term of one year commencing from 13 February 2018, which shall be terminated by either party giving not less than one month's notice in writing to the other party. Mr. Yan Ximao is entitled to a monthly remuneration of HK\$10,000, which has been determined by the Board upon negotiation between Mr. Yan Ximao and the Company at arm's length on the basis of his previous experience, professional qualification, responsibility to be involved in the Company and the amount of time devoted to the Company's business as well as the prevailing market conditions. Mr. Yan Ximao will be subject to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the Articles of Association.

As at the Latest Practicable Date, Mr. Yan Ximao does not have any interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Yan Ximao has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Cai Zhenyao

Mr. Cai Zhenyao, aged 63, is an executive Director and the finance director of the Group. He is also a director of one of the subsidiaries of the Company. Mr. Cai Zhenyao has been responsible for the Group's overall organisational and finance systems management since joining the Group in 1993, including the establishment of employees benefits system, production management system, accounting and treasury system and internal control system. Mr. Cai Zhenyao is the brother of Mr. Cai Zhenrong and Mr. Cai Zhenying; the uncle of Mr. Cai Yangbo; and the cousin of Mr. Choi Wing Toon.

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Mr. Cai Zhenyao has entered into a service agreement with the Company for a term of three years commencing from 1 August 2002, which shall continue thereafter until terminated by either party giving not less than three months' notice in writing to the other party. As at the Latest Practicable Date, Mr. Cai Zhenyao is entitled to a monthly salary of HK\$25,300 which is determined upon negotiation between Mr. Cai Zhenyao and the Company at arm's length on the basis of his previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company's business as well as the current financial position of the Company and the prevailing market condition. In addition, Mr. Cai Zhenyao is also entitled to share options to subscribe for Shares, at the discretion of the Board, and a management bonus in respect of each financial year of the Company in an amount to be determined by the Board in its absolute discretion, provided that the total amount of bonuses payable to all the executive Directors for the time being of the Company shall not exceed 5% of the combined or, as the case may be, consolidated audited net profit of the Group (after taxation and minority interests and the payment of such bonuses but before extraordinary items) for that financial year.

As at the Latest Practicable Date, Mr. Cai Zhenyao has beneficial interest in 2,637,600 Shares, of which 375,000 Shares are the share options granted to him by the Company on 24 October 2013, 20 May 2014 and 30 April 2015 and has corporate interest in 35,075,018 Shares held by Exalt Wealth Limited that falls to be disclosed under Part XV of the SFO. Save as disclosed above, Mr. Cai Zhenyao does not have any interests in Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Cai Zhenyao has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Cai Yangbo

Mr. Cai Yangbo, aged 43, is a managing and executive Director. Mr. Cai Yangbo was appointed as the managing Director on 16 January 2010. He is also a director of the subsidiaries of the Company. Mr. Cai Yangbo was the deputy general manager of Fujian Province Shishi City Yongningzi Yingmingfeng Knitting Factory during the period from 1993 to 1996 and was principally responsible for production and business management. Mr. Cai Yangbo has been responsible for the overall production factory management and human resources of the Group since joining the Group in 1996. Mr. Cai Yangbo is the son of Mr. Cai Zhenrong; the nephew of Mr. Cai Zhenyao and Mr. Cai Zhenying.

LETTER FROM THE BOARD

Mr. Cai Yangbo has entered into a service agreement with the Company for a term of three years commencing from 1 August 2002, which shall continue thereafter until terminated by either party giving not less than three months' notice in writing to the other party. As at the Latest Practicable Date, Mr. Cai Yangbo is entitled to a monthly salary of HK\$52,500 which is determined upon negotiation between Mr. Cai Yangbo and the Company at arm's length on the basis of his previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company's business as well as the current financial position of the Company and the prevailing market condition. In addition, Mr. Cai Yangbo is also entitled to share options to subscribe for Shares, at the discretion of the Board, and a management bonus in respect of each financial year of the Company in an amount to be determined by the Board in its absolute discretion, provided that the total amount of bonuses payable to all the executive Directors for the time being shall not exceed 5% of the combined or, as the case may be, consolidated audited net profit of the Group (after taxation and minority interests and the payment of such bonuses but before extraordinary items) for that financial year.

As at the Latest Practicable Date, Mr. Cai Yangbo has beneficial interest in 1,088,500 Shares which include 375,000 share options granted to him by the Company that falls to be disclosed under Part XV of the SFO. Save as disclosed above, Mr. Cai Yangbo does not have any interests in Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Cai Yangbo has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders of the Company.

Mr. Choi Wing Toon

Mr. Choi Wing Toon, aged 67, is an executive Director and the marketing and promotion manager of the Group. He is also a director of the subsidiaries of the Company. Mr. Choi Wing Toon has been responsible for the overseas sales and marketing activities of the Group since joining the Group in 1997. Mr. Choi Wing Toon is the cousin of Mr. Cai Zhenrong, Mr. Cai Zhenyao and Mr. Cai Zhenying.

Mr. Choi Wing Toon has entered into a service contract with the Company for a term of three years commencing from 1 August 2002, which shall continue thereafter until terminated by either party giving not less than three months' notice in writing to the other party. As at the Latest Practicable Date, Mr. Choi Wing Toon is entitled to a monthly salary of HK\$27,000 which is determined upon negotiation between Mr. Choi Wing Toon and the Company at arm's length on the basis of his previous experience, professional qualifications, responsibilities to be involved in the Company and the amount of time devoted to the Company's business as well as the current financial position of the Company and the prevailing market condition. In addition, Mr. Choi Wing Toon is also entitled to share options

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to subscribe for Shares, at the discretion of the Board, and a management bonus in respect of each financial year of the Company in an amount to be determined by the Board in its absolute discretion, provided that the total amount of bonuses payable to all the executive Directors for the time being of the Company shall not exceed 5% of the combined or, as the case may be, consolidated audited net profit of the Group (after taxation and minority interests and the payment of such bonuses but before extraordinary items) for that financial year.

As at the Latest Practicable Date, Mr. Choi Wing Toon has beneficial interest in 200,000 Shares of the Company that falls to be disclosed under Part XV of the SFO which 50,000 Shares are share options granted to him by the Company on 24 October 2013. Save as disclosed above, Mr. Choi Wing Toon does not have any interests in Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Choi Wing Toon has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Chen Wenfang

Mr. Chen Wenfang, aged 57, is an executive Director. He has been committed to investing in the real economy. He has engaged in trade and tea industries for years and founded a number of tea companies. Mr. Chen Wenfang dedicated to the development of the real industries in his early years by engaging in the trade and tea industries for more than three decades, during which he established several tea companies that earned him high prestige in Fujian tea industry. Meanwhile, he has extensive experiences in market planning and strategic deployment as he actively promoted the tea culture in Fujian where tea industry and capital were integrated in recent years. In early days, Mr. Chen Wenfang engaged in trade and tea and other real industries, in which he has accumulated a wealth of theoretical knowledge and hands-on experiences. In the process of subsequent establishment of certain tea companies, Mr. Chen Wenfang has cooperated with Mr. Li Dongfan to realize the integration between the real industry and capital that enabled the tea companies to accelerate and reinforce their development speed and strengths. In addition, Mr. Chen Wenfang participated in the operation of Moody Group and was responsible for the market development and formulation of marketing strategies of the group. Mr. Chen Wenfang is currently the vice president of Moody Group where he is mainly responsible for the market development and formulation of marketing strategies of the group.

LETTER FROM THE BOARD

Mr. Chen Wenfang has entered into an appointment letter with the Company for a term of two years commencing from 13 November 2017, which shall be terminated by either party giving not less than one month's notice in writing to the other party. Mr. Chen Wenfang is entitled to an annual remuneration of HK\$480,000, which is determined by the Board upon negotiation between Mr. Chen Wenfang and the Company at arm's length on the basis of his previous experience, professional qualification, responsibility to be involved in the Company and the amount of time devoted to the Company's business as well as the prevailing market conditions. Mr. Chen Wenfang will be subjected to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the Articles of Association.

As at the Latest Practicable Date, Mr. Chen Wenfang does not have any interests in Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Chen Wenfang has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Su Yichao

Mr. Su Yichao, aged 26, is a non-executive Director. He was an angel investor in his early days by investing in the Internet industry and education sector. He possesses extensive experiences in project planning, operation and management in relation to angel investment. Mr. Su Yichao joined investment banking division at Defu Group in 2015 and was promoted to be vice president in 2017 where he was responsible for mergers and acquisitions of corporate projects and refinancing of listed companies. He currently serves as the vice president and executive director of Moody Group where he is in charge of auditing on mergers and acquisitions projects of corporates.

Mr. Su Yichao has been engaging in financial securities for years with strong systematic philosophy, innovative mind, ample financial securities experiences and practical capability gained from work, in addition to his astute insight and analytical skills. He has rich experiences in banking, investment banks, funds, private equity investment and other fields and is capable of offering unique and effective solutions to various situations arising in the course of business management, mergers and acquisitions, and financing investments. Mr. Su Yichao joined Zhuhai City Moody Industrial Co., Ltd.* (珠海市滿地實業有限公司) in 2013. During this period, Mr. Su Yichao held a concurrent position as the deputy director of corporate finance division of Shenzhen Defu Group. He has been serving as the executive director, group vice president, head of fund management division at Moody Group since 2017. Mr. Su Yichao obtained a diploma in mould design and manufacturing from Hunan University.

LETTER FROM THE BOARD

Mr. Su Yichao has entered into an appointment letter with the Company for a term of two years commencing from 17 November 2017, which shall be terminated by either party giving not less than one month's notice in writing to the other party. Mr. Su Yichao is entitled to an annual remuneration of HK\$120,000, which is determined by the Board upon negotiation between Mr. Su Yichao and the Company at arm's length on the basis of his previous experience, professional qualification, responsibility to be involved in the Company and the amount of time devoted to the Company's business as well as the prevailing market conditions. Mr. Su Yichao will be subjected to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the Articles of Association.

As at the Latest Practicable Date, Mr. Su Yichao does not have any interests in Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Su Yichao has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Wang Qidong

Mr. Wang Qidong, aged 44, is an independent non-executive Director, the chairman of the audit committee, the remuneration committee and the nomination committee of the Company. Mr. Wang Qidong obtained a bachelor's degree from Xiamen University in July 1995 and a master's degree in business administration from School of Management, Xiamen University in 2005. He had been serving as various positions, including senior manager in Xiamen Power Capital Investment Consulting Co., Ltd. (Power Capital) (廈門高能投資諮詢有限公司(高能資本)) director of business development in Shanghai Suning Investment Management, Co., Ltd. (上海蘇寧投資管理有限公司) a partner in Xiamen Huashang Venture Capital, Management Co., Ltd. (廈門華商創業投資管理有限公司)/Fujian Huating Investment Management Co., Ltd. (福建華廷投資管理有限公司) and secretary of the board of directors in Zhejiang Green Map Agricultural Science and Technology Co., Ltd. (浙江綠脈農業科技股份有限公司).

Mr. Wang Qidong has entered into an appointment letter with the Company for a term of one year commencing from 13 February 2018, which shall be terminated by either party giving not less than one month's notice in writing to the other party. Mr. Wang Qidong is entitled to a monthly remuneration of HK\$10,000, which has been determined by the Board upon negotiation between Mr. Wang Qidong and the Company at arm's length on the basis of his previous experience, professional qualification, responsibility to be involved in the Company and the amount of time devoted to the Company's business as well as the prevailing market conditions. Mr. Wang Qidong will be subject to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the Articles.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. Wang Qidong does not have any interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Wang Qidong has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Liao Haosheng

Mr. Liao Haosheng, aged 36, is an independent non-executive Director. He was an angel investor in his early days. He was a founding partner of Zengge Venture Investment (Shenzhen) Company Ltd* (真格創業投資(深圳)有限公司), a broker's representative of Guiyang Crowdfunding Financial Exchange* (貴陽眾籌金融交易所) and a member of Financial Innovation and Investment Development Committee of Crowdfunding Financial Exchange* (眾籌金融交易所金融創新投資發展委員會). Mr. Liao Haosheng was the president of the Shenzhen Branch of Hong Kong Crowdfunding Association and an executive council member of Shenzhen Enterprise Confederation (深圳市企業聯合會), Shenzhen Chaoshan Junior Chamber of Commerce (深圳市潮汕青年商會) and Shenzhen Chawnese Overseas Economy Promoting Committee (深圳潮人海外經濟促進會). From April 2010 to June 2015, Mr. Liao Haosheng was appointed as the general manager of Shenzhen Jiacheng Wealth Management Ltd.* (深圳佳成財富管理有限公司). Subsequently, Mr. Liao Haosheng served as a founding partner of Lingqiwuwu Fund Management (Shenzhen) Ltd.* (零柒伍伍基金管理(深圳)有限公司) from June 2015 until now.

Mr. Liao Haosheng has entered into an appointment letter with the Company for a term of one year commencing from 10 April 2018, which shall be terminated by either party giving not less than one month's notice in writing to the other party. Mr. Liao Haosheng is entitled to a monthly remuneration of HK\$10,000, which has been determined by the Board upon negotiation between Mr. Liao Haosheng and the Company at arm's length on the basis of his previous experience, professional qualification, responsibility to be involved in the Company and the amount of time devoted to the Company's business as well as the prevailing market conditions. Mr. Liao Haosheng will be subject to retirement by rotation and re-election at the next annual general meeting of the Company in accordance with the Articles of Association.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. Liao Haosheng does not have any interests in the Shares, underlying Shares and debentures of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Liao Haosheng has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he has not held any other positions in the Company and its subsidiaries; and (iii) he does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

6. ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 19 to 22 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the granting of the Issue Mandate and Repurchase Mandate and the extension of the Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate and the re-election of retiring Directors.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website at (www.blockchaingroup.com.hk). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's Hong Kong branch share registrar, Union Registrars Limited at Suites 3301—04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time appointed for holding the AGM or adjourned meeting. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the AGM if so wish and in such event, the instrument appointing the proxy shall be deemed to be revoked.

7. LISTING RULES REQUIREMENT

According 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 resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

LETTER FROM THE BOARD

8. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of AGM on pages 19 to 22 of this circular.

9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with Listing Rules for the purposes 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.

By order of the Board
Blockchain Group Company Limited
Cai Zhenrong
Joint Chairman

EXPLANATORY STATEMENT OF THE SHARE REPURCHASE

The following explanatory statement contains all the information required pursuant to Rule 10.06 of the Listing Rules to be given to all the Shareholders relating to the resolution to be proposed at the forthcoming AGM authorising the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 1,184,843,454 Shares. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to repurchase up to 118,484,345 Shares (being 10% of the Shares in issue) during the period up to the next annual general meeting in 2019 or the expiration of the period within which the next annual general meeting of the Company is required by law to be held or the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

2. REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchases when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings per Share.

3. IMPACT ON THE WORKING CAPITAL OR GEARING POSITION

As compared with the financial position of the Company as disclosed in its most recent published audited consolidated accounts as at 31 December 2017, the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed share repurchases were to be carried out in full during the proposed purchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

4. FUNDING OF REPURCHASE

The Directors recognized that the repurchasing shares must be made of the funds legally available for such purpose in accordance with the memorandum and Articles of Association and the applicable laws of the Cayman Islands and Hong Kong and the Listing Rules. The Companies Law, provide that a share repurchase by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose or, if so authorised by the Articles of Association and subject to the provisions of the Companies Laws, out of capital. Any premium payable on a repurchase over the par value of the Shares repurchased or conditionally or unconditionally to be purchased must be provided for out of profits of the Company or out of the Company's share premium account or, if so authorised by the Articles of Association and subject to the provisions of the Companies Laws, out of capital.

EXPLANATORY STATEMENT OF THE SHARE REPURCHASE

5. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases of its Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and Articles of Association.

7. EFFECT OF TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase its Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. Accordingly, 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 Rule 26 of the Takeovers Code.

To the best of the knowledge, information and belief of the Directors and on the basis of the shareholding of the Company as at the Latest Practicable Date, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase of Shares made under the Repurchase Mandate, since none of the substantial Shareholders would hold 30% or more of the shareholding of the Company after the repurchase.

Assuming that there is no issue of Shares between the Latest Practicable Date and the date of passing the Repurchase Mandate and no disposal by any of the substantial Shareholders of their interests in the Shares, an exercise of the Repurchase Mandate whether in whole or in part will not result in less than 25% of the Shares being held by the public.

8. SHARE PURCHASE MADE BY THE COMPANY

The Company has not repurchased any of its Shares during the six months preceding the Latest Practicable Date.

EXPLANATORY STATEMENT OF THE SHARE REPURCHASE

9. SHARE PRICES

During each of the previous twelve months, the highest and lowest prices at which the Shares were traded on the Stock Exchange were as follows:

Months	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
April	0.027	0.025
May	0.027	0.024
June	0.027	0.022
July	0.022	0.019
August	0.019	0.017
September	0.022	0.010
October	0.014	0.012
November	0.015	0.012
December	0.018	0.011
2018		
January	0.320	0.198
February	0.211	0.150
March	0.249	0.210
April (up to the Latest Practicable Date)	0.290	0.238

NOTICE OF ANNUAL GENERAL MEETING



BLOCKCHAIN GP
區塊鏈集團有限公司

BLOCKCHAIN GROUP COMPANY LIMITED

區塊鏈集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 364)

NOTICE IS HEREBY GIVEN that the annual general meeting of Blockchain Group Company Limited (the “**Company**”) will be held at Suites 903 - 905, 9th Floor, Shui On Centre, 6 - 8 Harbour Road, Wanchai, Hong Kong on Thursday, 7 June 2018 at 11:00 a.m. for the following purposes:—

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor of the Company for the year ended 31 December 2017.
2. To re-elect directors of the Company and to authorize the board of directors of the Company to fix their remuneration.
3. To re-appoint auditor of the Company and to authorize the board of directors of the Company to fix its remuneration.

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

ORDINARY RESOLUTIONS

4. **“THAT:—**
 - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Director(s)**”) 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, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
 - (c) the amount of shares allotted and issued or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights under the share

NOTICE OF ANNUAL GENERAL MEETING

option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the memorandum and Articles of Association from time to time shall not exceed 20% of the shares of the Company in issue as at the date of 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 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 Articles of Association or any applicable law of the Cayman Islands to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the Shareholders 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 on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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 law of, or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company).”

5. **“THAT:—**

- (a) the exercise by the Directors during the Relevant Period of all powers of the Company to purchase its own Shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the amount of Shares purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the amount of the shares of the Company in issue as at the date of this resolution and the said approval be limited accordingly; and
- (c) for the purposes of this resolution:—

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:—

- (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of the Cayman Islands to be held; and
 - (iii) the revocation or variation of this resolution by an ordinary resolution of the Shareholders in general meeting.”
6. “**THAT** conditional upon resolutions nos. 4 and 5 above being passed, the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution no. 5 above shall be added to the amount of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 4 above.”

By order of the Board
Blockchain Group Company Limited
Cai Zhenrong
Joint Chairman

Hong Kong, 27 April 2018

Registered Office:

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

Head Office and Principal Place of Business in Hong Kong:

Room 3505, West Tower, Shun Tak Centre
200 Connaught Road Central
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:—

- (1) A shareholder of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a shareholder of the Company. In order to be valid, the form of proxy must be deposited at the Company's Hong Kong branch share registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting.
- (2) Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the annual general meeting or any adjournment thereof, and in such event, the instrument appointing the proxy shall be deemed to be revoked.
- (3) The register of members of the Company will be closed from Friday, 1 June 2018 to Thursday, 7 June 2018, both dates inclusive, during which period no transfers of shares shall be effected. In order to qualify for attending the forthcoming annual general meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, 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 Thursday, 31 May 2018.
- (4) If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the annual general meeting, the meeting will be postponed. The Company will post an announcement on the website of Company at www.blockchaingroup.com.hk and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify shareholders of the date, time and place of the rescheduled meeting.
- (5) As at the date of this notice, the board of directors of the Company comprises eight executive Directors, namely Mr. Cai Zhenrong (Joint Chairman), Mr. Li Dongfan (Joint Chairman), Mr. Yan Ximao (Vice Chairman), Mr. Cai Zhenyao, Mr. Cai Zhenying, Mr. Cai Yangbo (Managing Director), Mr. Choi Wing Toon and Mr. Chen Wenfang, one non-executive Director, namely Mr. Su Yichao; and four independent non-executive Directors, namely Mr. Lawrence Gonzaga, Mr. Chin Hon Siang, Mr. Wang Qidong and Mr. Liao Haosheng.