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CHANGFENG AXLE (CHINA) COMPANY LIMITED

暢豐車橋（中國）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1039)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**EGM**”) of Changfeng Axle (China) Company Limited (the “**Company**”) will be held at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on 3 March 2014 at 2:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the equity transfer agreement dated 27 December 2013 (the “**Equity Transfer Agreement**”) entered into between Longyan Shengfeng and Lonking Machinery (as defined in the circular of the Company dated 14 February 2014 (the “**Circular**”)), a copy of which has been produced to the EGM and marked “A” and initialed by the chairman of the EGM for the purpose of identification, pursuant to which Longyan Shengfeng has conditionally agreed to acquire and Lonking Machinery has conditionally agreed to sell its 40% interest in the JV Company (as defined in the Circular) at a consideration of RMB30,000,000 (equivalent to HK\$38,100,000), and all transactions contemplated thereunder, be and is hereby approved, confirmed and ratified;
- (b) any one director of the Company be and is hereby authorised to do all such further acts and things and to sign and execute all such documents and to take all such steps which in his opinion may be necessary, appropriate, desirable or expedient to implement and/or give effects to the Equity Transfer Agreement and the transactions contemplated thereunder.”

2. “**THAT**

- (a) the debt waiver agreement dated 27 December 2013 (the “**Debt Waiver Agreement**”) entered into among the JV Company, Lonking Machinery and Fujian Changfeng (as defined in the Circular), a copy of which has been produced to the Meeting and marked “B” and initialed by the chairman of the Meeting for the purpose of identification, pursuant to which the JV Company has conditionally agreed to pay to Lonking Machinery and Lonking Machinery has conditionally agreed to accept a sum of RMB27,000,000 (equivalent to HK\$34,290,000) in

extinguishment of the Account Payable (as defined in the Circular) in respect of the Equipments (as defined in the Circular), and Lonking Machinery has conditionally agreed to acquire and the JV Company has conditionally agreed to sell the Turning Centers (as defined in the Circular) at a consideration of RMB12,000,000 (equivalent to HK\$15,240,000), and all transactions contemplated thereunder, be and is hereby approved, confirmed and ratified; and

- (b) any one director of the Company be and is hereby authorised to do all such further acts and things and to sign and execute all such documents and to take all such steps which in his opinion may be necessary, appropriate, desirable or expedient to implement and/or give effects to the Debt Waiver Agreement and the transactions contemplated thereunder.”

By Order of the Board
Changfeng Axle (China) Limited
Mr. Wong Kwai Mo
Chairman

Hong Kong, 14 February 2014

Notes:

- (1) Any member of the Company entitled to attend and vote at the above meeting by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (2) Where there are joint holders of any Share, any one of such joint holder may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the EGM, 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.
- (3) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. The proxy form will be published on the website of the Stock Exchange.
- (4) The register of members of the Company will be closed from Thursday, 27 February 2014 to Monday, 3 March 2014 (both day inclusive) during which period no transfer of Shares will be registered. The record date for determining eligibility to attend and vote at the EGM will be 3 March 2014. In order to qualify for the entitlement to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 26 February 2014.

As at the date of this notice, the executive directors of the Company are Mr. Wong Kwai Mo, Ms. Wu Ching and Mr. Lai Fengcai; the non-executive director of the Company is Ms. Dong Ying, Dorothy; and the independent non-executive directors of the Company are Mr. Zhu Weizhou, Dr. Li Xiuqing and Mr. Chong Ching Hei.

Website: <http://www.changfengaxle.com.hk>