THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in the Company, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

CHINA FIRST CAPITAL GROUP LIMITED
中國首控集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1269)

REFRESHMENT OF GENERAL MANDATE
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders

ASTRUM
Astrum Capital Management Limited
阿仕特朗資本管理有限公司

Capitalised terms used in this cover page have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 3 to 7 in this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 8 in this circular. A letter from Astrum Capital Management Limited containing its advice in respect of the Refreshed General Mandate to the Independent Board Committee and the Independent Shareholders is set out on pages 9 to 17 in this circular.

A notice convening the EGM to be held at 10:30 a.m. on Tuesday, 8 December 2015 at Units 4501–02 & 12–13, 45/F, The Center, 99 Queen's Road Central, Hong Kong is set out on pages EGM-1 to EGM-2 in this circular.

A form of proxy for use at the EGM is enclosed.

Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to Hong Kong branch share registrar and transfer office 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 meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

20 November 2015

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In this circular, unless the context otherwise requires, the following expressions shall have the meanings set out below:

"2015 AGM"	the annual general meeting of the Company held on 9 June 2015
"Announcement"	the announcement of the Company dated 2 November 2015
"associate"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Company"	China First Capital Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors (including the independent non-executive directors) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Refreshed General Mandate by the Independent Shareholders
"Existing General Mandate"	the general mandate granted to the Directors by the resolution of the Shareholders passed at the 2015 AGM to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the 2015 AGM
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent board committee of the Company comprising all the independent non-executive Directors to advise the Independent Shareholders on the proposed grant of the Refreshed General Mandate

"Independent Financial Adviser"	Astrum Capital Management Limited, a licensed corporation permitted to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Law of Hong Kong), being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Refreshed General Mandate
"Independent Shareholders"	Shareholders other than any controlling Shareholders and their associates or, where there are no controlling Shareholders, any Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
"Latest Practicable Date"	18 November 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China which for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Refreshed General Mandate"	the new general mandate proposed to be sought at the EGM to authorise the Directors to allot, issue and deal with the Shares not exceeding 20% of the issued share capital of the Company as at date of passing of the relevant resolution
"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK$"	Hong Kong dollars, the lawful currency for the time being of Hong Kong
"%"	per cent.

CHINA FIRST CAPITAL GROUP LIMITED
中國首控集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1269)

Executive Directors:
Mr. Wilson Sea *(Chairman)*
Mr. Zhao Zhijun *(Chief Executive Officer)*
Mr. Yan Haiting
Mr. Wang Wenbo
Ms. Yang Weixia
Mr. Wang Ping

Independent non-executive Directors:
Mr. Chu Kin Wang, Peleus
Mr. Li Zhiqiang
Mr. Zhang Jinhua

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

Principal place of business in Hong Kong:
Units 4501–02 & 12–13, 45/F
The Center
99 Queen's Road Central
Hong Kong

20 November 2015

To the Shareholders

Dear Sir or Madam,

REFRESHMENT OF GENERAL MANDATE AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement relating to the proposed refreshment of the Existing General Mandate. The purpose of this circular is to provide you with (i) information in respect of the proposed grant of the Refreshed General Mandate; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Refreshed General Mandate; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Refreshed General Mandate; and (iv) the notice of the EGM.

EXISTING GENERAL MANDATE

At the 2015 AGM, the Shareholders approved, among other things, the Existing General Mandate which authorised the Directors to issue not more than 76,800,000 Shares, being 20% of the issued share capital of the Company of 384,000,000 Shares as at the date of the 2015 AGM.

Reference is made to the announcements of the Company dated 5 October 2015 and 26 October 2015 in relation to the placing of new Shares under the Existing General Mandate. Upon completion of such placing of new Shares on 26 October 2015, the Existing General Mandate was fully utilized by the Company. No new Share can be issued under the Existing General Mandate. Save for the proposed grant of the Refreshed General Mandate, there has been no refreshment of the Existing General Mandate since the 2015 AGM.

PROPOSED REFRESHMENT OF THE EXISTING GENERAL MANDATE

The Company will convene the EGM at which an ordinary resolution will be proposed to the Independent Shareholders that the Directors be granted the Refreshed General Mandate to allot and issue Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant ordinary resolution at the EGM.

Subject to the approval of the Independent Shareholders of the Refreshed General Mandate, and assuming that no other Shares will be issued and/or repurchased by the Company on or prior to the date of the EGM, the Shares in issue as at the date of the EGM would be 460,800,000 Shares, which means that under the Refreshed General Mandate, the Directors will be authorised to allot, issue and deal with a maximum of 92,160,000 Shares, being 20% of the Shares in issue as at the Latest Practicable Date.

The Refreshed General Mandate will, if granted, expire at 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 or any applicable laws and regulations of the Cayman Islands to be held; or (iii) the date on which the authority set out in the resolution for the approval of the Refreshed General Mandate is revoked or varied by the passing of an ordinary resolution of the Shareholders in general meeting.

REASONS FOR THE REFRESHED GENERAL MANDATE

The Company is an investment holding company. The Group is principally engaged in the research and development, design, manufacturing and sale of various automobile shock absorbers and has more than 50 years of experience in the industry. Since the end of 2014, the Group has tapped into new business including investment migration advisory services and financial consultancy and advisory services, in order to facilitate the diversification of the Group's business and further expand its asset portfolio and revenue sources.

Having considered that (a) the Existing General Mandate has been fully utilised as at the Latest Practicable Date; (b) the Refreshed General Mandate will provide the Company with more flexibility in raising funds through the issue of new Shares for its general working capital as and when the Directors consider appropriate in the future; and (c) the Refreshed General Mandate will empower the Directors to issue new Shares under the refreshed limit speedily and provide the Company with the flexibility and ability to capture any appropriate capital raising or business opportunities, which may arise, the Directors consider that the granting of the Refreshed General Mandate is in the interests of the Company and the Shareholders as a whole. Therefore, the Board proposes to seek the approval of Independent Shareholders to refresh the Existing General Mandate at the EGM.

As at the Latest Practicable Date, the Company has not yet formulated any concrete plan for raising capital by issuing new Shares under the Refreshed General Mandate.

EQUITY FUND RAISING ACTIVITIES INVOLVING THE UTILISATION OF THE EXISTING GENERAL MANDATE

Save for the equity fund raising activity set out below, the Company had not carried out any other equity fund raising activities involving the utilisation of the Existing General Mandate during the period from the date of the 2015 AGM and up to the Latest Practicable Date.

Date of announcement	Fund raising activities	Estimated net proceeds (approximately)	Proposed used of proceeds	Actual use of proceeds as at the Latest Practicable Date
5 October 2015	Placing of 76,800,000 new Shares at the placing price of HK$2.00 per placing share	HK$151.6 million	(i) approximately HK$60.4 million shall be used to finance the development of investment migration advisory services and financial consultancy and advisory services of the Group; (ii) approximately HK$50.0 million shall be used for the development of financing and financial credit business; and (iii) approximately HK$41.2 million shall be used for general working capital of the Group.	approximately HK$20.9 million has been used to finance the development of investment migration advisory services and financial consultancy and advisory services of the Group. The remaining proceeds which have not been utilised will be used as intended and have been maintained into a bank in time deposit as at the Latest Practicable Date.

LISTING RULES IMPLICATIONS

As the proposed grant of the Refreshed General Mandate is to be proposed to the Shareholders before the Company's next annual general meeting, pursuant to the Listing Rules, this proposal is subject to the Independent Shareholders' approval by way of poll at the EGM. According to Rule 13.36(4) of the Listing Rules, any controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution to approve the proposed grant of the Refreshed General Mandate.

As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors, the Company has no controlling Shareholders. As at the Latest Practicable Date, (i) Mr. Wilson Sea indirectly held 101,566,000 Shares, representing approximately 22.04% of the total issued share capital of the Company; (ii) Mr. Zhao Zhijun indirectly held 16,800,000 Shares, representing approximately 3.65% of the total issued share capital of the Company; (iii) Mr. Wang Wenbo directly held 1,200,000 Shares, representing approximately 0.26% of the total issued share capital of the Company; and (iv) Ms. Yang Weixia directly held 960,000 Shares, representing approximately 0.21% of the total issued share capital of the Company. As at the Latest Practicable Date, Mr. Yan Haiting and Mr. Wang Ping did not hold any Share. As a result, Mr. Wilson Sea, Mr. Zhao Zhijun, Mr. Wang Wenbo and Ms. Yang Weixia, being executive Directors, together with their respective associates are required to abstain from voting in favour of the ordinary resolution regarding the proposed grant of the Refreshed General Mandate at the EGM. If any Share is held by the Director on the date of the EGM, such Director together with his/her respective associates are required to abstain from voting in favour of the ordinary resolution regarding the proposed grant of the Refreshed General Mandate at the EGM.

EGM

A notice convening the EGM of the Company to be held at Units 4501–02 & 12–13, 45/F, The Center, 99 Queen's Road Central, Hong Kong on Tuesday, 8 December 2015 at 10:30 a.m. is set out on pages EGM-1 to EGM-2 of this circular.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Chu Kin Wang, Peleus, Mr. Li Zhiqiang and Mr. Zhang Jinhua will be established to advise the Independent Shareholders on the proposed grant of the Refreshed General Mandate. The Independent Financial Adviser was appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of the Refreshed General Mandate.

Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Hong Kong branch share registrar and transfer office 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 meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

RECOMMENDATION

Your attention is drawn to the (i) letter from the Independent Board Committee set out on page 8 of this circular which contains its recommendation to the Independent Shareholders on the proposed grant of the Refreshed General Mandate; and (ii) the letter of advice from the Independent Financial Adviser set out on pages 9 to 17 of this circular, which contains, among other matters, its advice to the Independent Board Committee and the Independent Shareholders in relation to the proposed grant of the Refreshed General Mandate and the principal factors considered by it in arriving at its advice.

The Independent Board Committee, having taken into account the Existing General Mandate, the reasons for the Refreshed General Mandate and the principal factors, reasons and advice of the Independent Financial Adviser in relation thereto, is of the opinion that the proposed grant of the Refreshed General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole and accordingly recommends the Independent Shareholders to vote in favour of the resolution relating to the proposed grant of the Refreshed General Mandate to be proposed at the EGM.

Accordingly, the Directors (including the independent non-executive Directors) consider that the proposed grant of the Refreshed General Mandate is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. Therefore, the Directors (including the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the resolution relating to the proposed grant of the Refreshed General Mandate to be proposed at the EGM.

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.

By Order of the Board
China First Capital Group Limited
Wilson Sea
Chairman and executive Director

CHINA FIRST CAPITAL GROUP LIMITED
中國首控集團有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1269)

20 November 2015

To the Independent Shareholders

Dear Sir or Madam,

REFRESHMENT OF GENERAL MANDATE

We have been appointed as the Independent Board Committee to advise the Independent Shareholders in connection with the proposed grant of the Refreshed General Mandate, details of which are set out in the circular of the Company to the Shareholders dated 20 November 2015 ("Circular"), of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We wish to draw your attention to the letter from the Board set out on pages 3 to 7 of the Circular and the letter from the Independent Financial Adviser containing its advice to us and the Independent Shareholders regarding the proposed grant of the Refreshed General Mandate set out on pages 9 to 17 of the Circular.

Having considered the Existing General Mandate, the reasons for the Refreshed General Mandate and the principal factors, reasons and advice of Independent Financial Adviser in relation thereto as set out in the Circular, we are of the view that the proposed grant of the Refreshed General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that the proposed grant of the Refreshed General Mandate is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the proposed grant of the Refreshed General Mandate.

Yours faithfully,
For and on behalf of the Independent Board Committee

Mr. Chu Kin Wang, Peleus	**Mr. Li Zhiqiang**	**Mr. Zhang Jinhua**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

ASTRUM
Astrum Capital Management Limited
阿仕特朗資本管理有限公司
Room 2704, 27/F, Tower 1, Admiralty Centre,
18 Harcourt Road, Admiralty, Hong Kong

20 November 2015

To the Independent Board Committee and
the Independent Shareholders of
China First Capital Group Limited

Dear Sirs,

REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our engagement as the independent financial adviser to make recommendations to the independent board committee (the "**Independent Board Committee**") and the independent shareholders (the "**Independent Shareholders**") of China First Capital Group Limited (the "**Company**") in relation to the proposed refreshment of the existing general mandate granted to the directors of the Company by its shareholders (the "**Shareholders**") at the annual general meeting of the Company held on 9 June 2015 (the "**2015 AGM**") to allot, issue and deal with up to 76,800,000 Shares, being 20% of the entire issued share capital of the Company of 384,000,000 Shares as at the date of the 2015 AGM. Details of the proposed grant of the Refreshed General Mandate were disclosed in the announcement of the Company dated 2 November 2015 (the "**Announcement**") and in the letter from the Board (the "**Letter from the Board**") set out on page 3 to page 7 of the circular of the Company dated 20 November 2015 (the "**Circular**") to the Shareholders, of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

The Company will convene the EGM at which an ordinary resolution will be proposed to the Independent Shareholders to consider, and if thought fit, to approve the proposed grant of the Refreshed General Mandate. As the proposed grant of the Refreshed General Mandate is to be proposed to the Shareholders before the Company's next annual general meeting, pursuant to the Listing Rules, this proposal is subject to the Independent Shareholders' approval by way of poll at the EGM. According to Rule 13.36(4) of the Listing Rules, any controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution to approve the proposed grant of the Refreshed General Mandate.

As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors, the Company had no controlling Shareholders. As at the Latest Practicable Date, (i) Mr. Wilson Sea indirectly held 101,566,000 Shares, representing approximately 22.04% of the total issued share capital of the Company; (ii) Mr. Zhao Zhijun indirectly held 16,800,000 Shares, representing approximately 3.65% of the total issued share capital of the Company; (iii) Mr. Wang Wenbo directly held 1,200,000 Shares, representing approximately 0.26% of the total issued share capital of the Company; and (iv) Ms. Yang Weixia directly held 960,000 Shares, representing approximately 0.21% of the total issued share capital of the Company. As at the Latest Practicable Date, Mr. Yan Haiting and Mr. Wang Ping did not hold any Share. As a result, Mr. Wilson Sea, Mr. Zhao Zhijun, Mr. Wang Wenbo and Ms. Yang Weixia, being executive Directors, together with their respective associates, are required to abstain from voting in favour of the ordinary resolution regarding the proposed grant of the Refreshed General Mandate at the EGM. If any Share is held by the Director on the date of the EGM, such Director together with his/her respective associates are required to abstain from voting in favour of the ordinary resolution regarding the proposed grant of the Refreshed General Mandate at the EGM.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Chu Kin Wang, Peleus, Mr. Li Zhiqiang and Mr. Zhang Jinhua, has been formed to advise the Independent Shareholders as to whether or not the proposed grant of the Refreshed General Mandate is fair and reasonable, and in the interests of the Company and the Shareholders as a whole, and to make recommendations to the Independent Shareholders in respect thereof. We, Astrum Capital Management Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

BASIS OF OUR OPINION

In formulating our opinion and recommendations, we have reviewed, *inter alia*, the Announcement, the Circular, the announcements of the Company dated 5 October 2015 and 26 October 2015 in relation to the placing of 76,800,000 new Shares under the Existing General Mandate (the "**Placing Announcements**"), the annual report of the Company for the financial year ended 31 December 2014 (the "**2014 Annual Report**") and the interim report of the Company for the six months ended 30 June 2015 (the "**2015 Interim Report**"). We have also reviewed certain information provided by the management of the Company (the "**Management**") relating to the operations, financial condition and prospects of the Group. We have also (i) considered such other information, analysis and market data which we deemed relevant; and (ii) conducted verbal discussions with the Management regarding the proposed grant of the Refreshed General Mandate, the businesses and future outlook of the Group. We have assumed that such information and statements, and any representation made to us, are true, accurate and complete in all material respects as of the date hereof and we have relied upon them in formulating our opinion.

All Directors collectively and individually accept full responsibility in providing information of the Company in the Announcement and the Circular and, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Announcement and the Circular is accurate and complete in all material respects and not misleading or deceptive, and that there are no other matters not contained in the Announcement and the Circular, the omission of which would make any statement herein or in the Announcement and the Circular misleading. We consider that we have performed all necessary steps to enable us to reach an informed view regarding the reasons for the proposed grant of the Refreshed General Mandate and to justify our reliance on the information provided so as to provide a reasonable basis of our opinion. We have no reasons to suspect that any material information has been withheld by the Directors or the Management, or is misleading, untrue or inaccurate. We have not, however, for the purpose of this exercise, conducted any independent detailed investigation or audit into the businesses or affairs or future prospects of the Group. Our opinion is necessarily based on financial, economic, market and other conditions in effect, and the information made available to us, as at the Latest Practicable Date. This letter is issued to provide information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the proposed grant of the Refreshed General Mandate. Except for the inclusion in the Circular, this letter should not be quoted or referred to, in whole or in part, nor shall it be used for any other purposes, without our prior written consent.

INDEPENDENCE DECLARATION

Apart from the normal advisory fees payable to us for the relevant engagement in relation to the proposed grant of the Refreshed General Mandate, no other arrangement exists whereby we will receive any fees and/or benefits from the Group. As at the Latest Practicable Date, we were not aware of any relationships or interests between Astrum Capital Management Limited, the Company and/or any of their respective substantial shareholders, directors or chief executive, or any of their respective associates. Accordingly, Astrum Capital Management Limited is independent as defined under Rule 13.84 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in connection with the proposed grant of the Refreshed General Mandate.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the proposed grant of the Refreshed General Mandate, we have considered the following principal factors and reasons:

1. Background of and reasons for the proposed grant of the Refreshed General Mandate

The Company is an investment holding company. The Group is principally engaged in the research and development, design, manufacturing and sale of various automobile shock absorbers and has more than 50 years of experience in the industry. Since the end of 2014, the Group has tapped into new businesses including investment migration advisory services and financial consultancy and advisory services with an aim to diversify the Group's businesses and further expand its asset portfolio and revenue sources.

At the 2015 AGM held on 9 June 2015, the Shareholders approved, among other things, the Existing General Mandate which authorised the Directors to issue not more than 76,800,000 Shares, being 20% of the issued share capital of the Company of 384,000,000 Shares as at the date of the 2015 AGM. The Existing General Mandate was subsequently fully utilized by the Company on 26 October 2015 as a result of the placing of 76,800,000 new Shares at the placing price of HK$2.00 per placing Share. Details of which are disclosed in the Placing Announcements. Therefore, no more new Share can be issued under the Existing General Mandate. It is expected by the Management that the next annual general meeting of the Company will be held in June 2016, which is about 7 months away from the Latest Practicable Date. Should the Company wish to issue new Shares or any equity-linked securities before the grant of a new general mandate in the next annual general meeting of the Company, it has to make an announcement, issue a circular and seek the Shareholders' approval in an extraordinary general meeting, which is considered to be a lengthy process and therefore may hinder the progress of any potential funding raising exercise or investment or acquisition plan. We are of the view that in the absence of the Refreshed General Mandate, the Company lacks the flexibility to issue new Shares or other equity-linked securities in a timely manner.

As disclosed in the Letter from the Board, having considered that (i) the Existing General Mandate has been fully utilised as at the Latest Practicable Date; (ii) the Refreshed General Mandate will provide the Company with more flexibility in raising funds through the issue of new Shares for its general working capital as and when the Directors consider appropriate in the future; and (iii) the Refreshed General Mandate will empower the Directors to issue new Shares under the refreshed limit speedily and provide the Company with the flexibility and ability to capture any appropriate capital raising or business opportunities, which may arise, the Directors consider that the proposed grant of the Refreshed General Mandate is in the interests of the Company and the Shareholders as a whole.

We have discussed with the Management and noted that the Group will (i) continue to focus on its business in the domestic automobile shock absorbers OEM (original equipment manufacturer) market in the PRC to reinforce its current leading position in the industry; (ii) strive to enlarge its market share in the domestic automobile shock absorbers aftermarket and actively explore overseas automobile shock absorbers markets; (iii) develop the shock absorber market for railway transportation; and (iv) diversify and develop new businesses. In respect of business diversification, the Group has tapped into the area of consulting services for investment immigration and financial investment (the "**New Businesses**"). As the New Businesses are still at the initial stage, the Management expects that they need more time and effort to develop the New Businesses and further investment and/ or acquisitions of business or companies which may bring synergy and growth to the New Businesses are always under consideration.

We noted that the Group has actively pursuing in the exploration of potential investment or acquisition opportunities in 2015. On 16 April 2015, the Board announced the acquisition of equity interests in two migration advisory service companies established in Shenzhen, the PRC at an aggregate consideration of RMB5.80 million. On 18 April 2015, the Group entered into a memorandum of understanding in respect of the acquisition of a group of companies engaging in international remittance, foreign exchange and payment settlement business and the provision of various community financial service products in Hong Kong, the PRC, Canada and the United Kingdom. On 24 April 2015, the Group entered into another memorandum of understanding in respect of the acquisition of the entire equity interest in a new energy projects investment company in the PRC engaging in photo thermal, photovoltaics and wind power project development and operation, as well as undertaking project investment, cooperation, development and operation.

Given the ever-changing merger and acquisition market, we consider that it is important for the Group to maintain flexible fund raising availability so as to make prompt decisions and to solicit funding in a relatively short period of time when investment opportunities arise. With the availability of general mandate on hand, the Group will have more options for payment/ settlement of the consideration of the investment opportunities in a timely and efficient manner such as undergoing equity fund raising exercise in the financial market for cash; or settling the consideration by issue of equity or convertible securities to the counterparties. In addition, it is considered the equity financing to be an important avenue of financial resources to the Company since it does not create any interest payment obligations on the Group. As such, we are of the opinion that the Refreshed General Mandate would provide the Company with the necessary flexibility essential for fulfilling any possible funding needs or settlement methods for future business development and/or investment decisions and that the proposed grant of the Refreshed General Mandate is in the interests of the Company and the Shareholders as a whole.

In addition, we have reviewed the financial information of the Company. As at 30 June 2015, the Group's current assets and current liabilities amounted to approximately RMB709.9 million and approximately RMB887.2 million, respectively, resulting in a net current liabilities position of approximately RMB117.3 million. The Group's bank balances and cash was approximately RMB32.8 million and short-term bank borrowings due within one year was approximately RMB386.4 million. In view of the above, the Management has to carefully monitor its liquidity and cash position in order to repay or renew its short-term bank borrowings. The Management has also considered it to be advisable for the Group to raise additional working capital for its possible repayment of the short-term bank borrowings in the coming 12 months.

Taking into consideration the facts that (i) the Existing General Mandate has been fully utilized; (ii) it is expected that the proposal and grant of a new general mandate in the next annual general meeting of the Company will be in June 2016, which is about 7 months away from the Latest Practicable Date; (iii) the Group has actively pursuing in the exploration of potential investment or acquisition opportunities; and (iv) the current liquidity and cash position of the Group, in particular, the short-term bank borrowings of RMB386.4 million to be due within one year, we concur with the Management that the proposed grant of the Refreshed General Mandate is in the interests of the Company and the Shareholders as a whole by increasing the financial flexibility necessary for the Group's future business development and expansion. As at the Latest Practicable Date, it is noted that the Company was not considering or in negotiation of any fund raising activities and the Company did not have any immediate plan to utilise the Refreshed General Mandate by issuing new Shares and/or convertible securities of the Company for cash and/or as consideration and/or for any acquisitions.

2. Equity fund raising activities of the Group in the past twelve months

The following table summarizes the fund raising activity of the Company in the past twelve months immediately prior to the Latest Practicable Date:

Date of announcement	Fund raising activity	Estimated net proceeds	Proposed use of proceeds	Actual use of proceeds as at the Latest Practicable Date
5 October 2015	Placing of 76,800,000 new Shares at the placing price of HK$2.00 per placing Share under the Existing General Mandate	approximately HK$151.6 million	(i) approximately HK$60.4 million shall be used to finance the development of investment migration advisory services and financial consultancy and advisory services of the Group; (ii) approximately HK$50.0 million shall be used for the development of financing and financial credit business; and (iii) approximately HK$41.2 million shall be used for general working capital of the Group	approximately HK$20.9 million has been used to finance the development of investment migration advisory services and financial consultancy and advisory services of the Group. The remaining proceeds which have not been utilised will be used as intended and have been maintained into a bank in time deposit as at the Latest Practicable Date.

Save as disclosed above, the Company had not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date. As mentioned in the Letter from the Board, the Company had not formulated any concrete plan for raising capital by issuing new Shares under the Refreshed General Mandate.

3. Other financing alternatives

Apart from equity financing by issue of new Shares under the Refreshed General Mandate (if granted to the Directors), the Management advised us that the Company will also consider other financing methods (such as debt financing, rights issue and/or open offer) to meet the financial requirements of the Group, as and when appropriate, after taking into account the then financial position, capital structure and cost of funding of the Group as well as the prevailing market condition.

However, debt financing such as bank borrowing may incur interest burden to the Group and may be subject to lengthy due diligence and negotiations. In addition, the ability of the Group to obtain bank borrowing usually depends on the Group's profitability, financial position and the then prevailing market condition. According to the 2015 Interim Report, the Group recorded an unaudited loss of approximately RMB10.6 million for the six months ended 30 June 2015, and maintained at a net current liabilities position of approximately RMB177.3 million as at 30 June 2015. Given the current unsatisfactory financial performance and position of the Group, we consider that it might be difficult for the Group to obtain bank borrowing at a reasonable interest rate. In respect of rights issue or open offer, it usually involves substantial time and cost to complete as compared to equity financing through issuance of new shares under general mandate, which allows the Company to raise capital within specified number of Shares promptly and when necessary. In addition, the success of rights issue and open offer is highly dependent on the then market condition and sentiment. We noted from the announcement of the Company dated 4 May 2015 that the Group intended to raise fund of approximately HK$153.6 million, before expenses, by way of open offer. Subsequently, the open offer lapsed due to, among other things, the volatility in the local stock market.

In view of the above, together with the facts that (i) the proposed grant of the Refreshed General Mandate will provide the Company with an additional financing alternative to capture any capital raising or prospective investment, as and when it arises, in a timely manner; (ii) the equity financing by way of general mandate is less costly and time-consuming than raising fund by way of rights issue or open offer; and (iii) it is reasonable for the Company to maintain its flexibility in the selection of the best financing method for its future business development, we are of the view that the proposed grant of the Refreshed General Mandate is in the interest of the Company and the Shareholders as a whole.

4. Potential dilution to shareholding of the Independent Shareholders

The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) upon full utilisation of the Refreshed General Mandate, assuming that no Shares will be issued and/or repurchased during the period commencing from the Latest Practicable Date and up to the date of the EGM:

	As at the Latest Practicable Date		**Upon full utilisation of the Refreshed General Mandate**	
	Shares	*%*	*Shares*	*%*
Wealth Max Holdings Limited *(Note 1)*	101,566,000	22.04	101,566,000	18.37
Plenty Venture Holdings Limited *(Note 2)*	16,800,000	3.65	16,800,000	3.04
Mr. Wang Wenbo *(Note 3)*	1,200,000	0.26	1,200,000	0.22
Ms. Yang Weixia *(Note 4)*	960,000	0.21	960,000	0.17
Hongkong Chuang Yue Co., Limited *(Note 5)*	46,730,000	10.14	46,730,000	8.45
Public Shareholders	293,544,000	63.70	293,544,000	53.09
Shares that may be issued under the Refreshed General Mandate	–	–	92,160,000	16.67
Total	460,800,000	100.00	552,960,000	100.00

Notes:

1. Wealth Max Holdings Limited is wholly owned by Mr. Wilson Sea, the chairman of the Company and an executive Director.

2. Plenty Venture Holdings Limited is wholly owned by Mr. Zhao Zhijun, an executive Director.

3. Mr. Wang Wenbo is an executive Director.

4. Ms. Yang Weixia is an executive Director.

5. Hongkong Chuang Yue Co., Limited is owned as to 90% by Shenmane.D Co., Limited, which in turn is wholly owned by Golden Cloud Co., Limited, and which in turn is wholly owned by Tang Yuyuan.

As illustrated in the table above, assuming no Shares will be issued and/or repurchased by the Company during the period commencing from the Latest Practicable Date and up to the date of the EGM, 92,160,000 new Shares can be issued upon full utilisation of the Refreshed General Mandate, representing 20% of the entire issued share capital of the Company as at the date of the EGM. The aggregate shareholding of the existing public Shareholders will decrease from approximately 63.70% as at the Latest Practicable Date to approximately 53.09% upon full utilisation of the Refreshed General

Mandate (assuming that none of the new Shares to be issued under the Refreshed General Mandate will be issued to any of the existing Shareholders). The potential maximum dilution effect to the existing public Shareholders arising from the issue of new Shares under the Refreshed General Mandate will be approximately 16.67%.

Taking into account that (i) the Refreshed General Mandate will provide an alternative to increase the amount of capital which may be raised under the Refreshed General Mandate; (ii) the Refreshed General Mandate provides more flexibility and options of financing to the Group for future business development as well as for other potential future investments as and when such opportunities arise; and (iii) the shareholding interests of all Shareholders will be decreased in proportion to their respective shareholdings upon any utilization of the Refreshed General Mandate assuming that none of the new Shares to be issued under the Refreshed General Mandate will be issued to any of the existing Shareholders, we are of the opinion that the potential dilution of the shareholding of the existing public Shareholders is justifiable.

RECOMMENDATION

Having taken into account the principal factors and reasons as mentioned above, we are of the opinion that the proposed grant of the Refreshed General Mandate is fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Shareholders and recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution approving the proposed grant of the Refreshed General Mandate to be proposed at the EGM.

Yours faithfully,
For and on behalf of
Astrum Capital Management Limited

Hidulf Kwan	**Rebecca Mak**
Managing Director	*Associate Director*

Note: Mr. Hidulf Kwan has been a responsible officer of Type 6 (advising on corporate finance) regulated activity under SFO since 2006 and has participated in and completed various independent financial advisory transactions.

Ms. Rebecca Mak has been a responsible officer of Type 6 (advising on corporate finance) regulated activity under SFO since 2012 and has participated in and completed various independent financial advisory transactions.

CHINA FIRST CAPITAL GROUP LIMITED
中國首控集團有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1269)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**Meeting**") of China First Capital Group Limited (the "**Company**") will be held at 10:30 a.m. on Tuesday, 8 December 2015 at Units 4501–02 & 12–13, 45/F, The Center, 99 Queen's Road Central, Hong Kong for the purposes of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

"**THAT**

(a) subject to sub-paragraph (c) of this resolution, pursuant to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") as amended from time to time, the exercise by the directors of the Company (the "**Directors**") during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the "**Shares**") and to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

(b) the approval in sub-paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate number of Shares 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 sub-paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares; or (iii) the exercise of any options granted under the share option scheme of the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of the dividend on Shares in accordance with the memorandum and articles of association of the Company (the "**Articles**") shall not exceed 20% of the issued share capital of the Company as at the date of the passing 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 date 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 Articles or any applicable laws and regulations of the Cayman Islands to be held; or

(iii) the date on which the authority set out in this resolution is revoked or varied by the passing of an ordinary resolution of the shareholders of the Company (the "**Shareholders**") in general meeting.

"**Rights Issue**" means an offer of Shares, or offer or issue of warrants, options or other securities of the Company giving rights to subscribe for Shares, open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (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 laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company)."

By Order of the Board of
China First Capital Group Limited
Wilson Sea
Chairman and executive Director

Hong Kong, 20 November 2015

Notes:

(1) Any Shareholder entitled to attend and vote at the Meeting 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 attend on the same occasion. A proxy need not be a Shareholder.

(2) In order to be valid, a form of proxy and the power of attorney (if any) or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited at the Hong Kong branch share registrar and transfer office 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 fixed for holding the meeting or any adjournment thereof.

(3) Delivery of the form of proxy will not preclude a Shareholder from attending and voting in person at the meeting convened and in such event, the form of proxy shall be deemed to be revoked.

(4) In the case of joint registered holders of any Share, any one of such joint registered 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 registered holders be present at the meeting, the vote of the senior who tenders a vote either personally or by proxy shall be accepted to the exclusion of the votes of the other joint registered holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

(5) As at the date of this notice, the Company's executive Directors are Mr. Wilson Sea, Mr. Zhao Zhijun, Mr. Yan Haiting Mr. Wang Wenbo, Ms. Yang Weixia and Mr. Wang Ping, the Company's independent non-executive Directors are Mr. Chu Kin Wang, Peleus, Mr. Li Zhiqiang and Mr. Zhang Jinhua.