

**Victor Group Holdings Ltd
ACN 165 378 834**

**NOTICE OF ANNUAL GENERAL MEETING AND
EXPLANATORY STATEMENT**

**Meeting to be held at the offices of Achieva Capital Management Ltd,
27/F, 755 Weihei Road, Shanghai China on Monday, 30 November 2015
commencing at 1.00 pm (Australian Eastern Daylight Time (AEDT) 10am (Shanghai Time)**

Important

The Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If you are in doubt as to how to vote on any of the resolutions, you should seek advice from your accountant, solicitor or other professional adviser without delay.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (Meeting) of Victor Group Holdings Limited (Company) will be held at the offices of **Achieva Capital Management Ltd, 27/F, 755 Weihei Road, Shanghai China on Monday, 30 November 2015 commencing at 1.00 pm (AEDT) 10am (Shanghai Time)** Further details of each item of business to be considered at the Meeting are set out in the Explanatory Statement. Definitions of capitalised terms used in the Notice of Meeting and Explanatory Statement are set out in Definitions section of the Explanatory Statement.

BUSINESS

Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report of the Company, together with the Director's Report and the Auditor's Report, for the year ended 30 June 2015 as set out in the Annual Report.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, the following resolution as a **non-binding ordinary resolution**:

“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Annual Report.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such a member.
- (c) However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either;
- (d) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution, or
- (e) the voter is the Chair and the appointment of the Chair as proxy;
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

Resolution 2 – Re-election of Mr Bin Zhang

To consider and, if thought fit, pass as an **ordinary resolution**:

"That Mr Bin Zhang, who retires in accordance with clause 11.1(c) of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3 – Election of Mr Greg Forrester

To consider and, if thought fit, pass as an **ordinary resolution**:

"That, for all purposes, Mr Greg Forrester, who was appointed as a Director of the Company in accordance with clause 11.2(a) of the Company's Constitution and, being eligible, be elected as a Director of the Company."

By order of the Board



David Batten
Company Secretary
19th October 2015

INFORMATION FOR SHAREHOLDERS

These notes and the Explanatory Statement form part of the **Notice of Meeting**.

EXPLANATORY STATEMENT

The accompanying Explanatory Statement forms part of this **Notice of Meeting** and should be read in conjunction with it. Definitions section of the Explanatory Statement contains definitions of capitalised terms used in this Notice of Meeting and the Explanatory Statement.

REQUIRED MAJORITIES

Resolutions 2 and 3 are ordinary resolutions. An ordinary resolution requires a simple majority of votes cast by Shareholders present (in person, by proxy or representative) and entitled to vote on the resolution.

ENTITLEMENT TO VOTE

The Directors have determined that, for the purpose of voting at the Meeting, Shareholders are those persons who are the registered holders of Shares at **7.00 pm (AEDT) on 27 November 2015**.

HOW TO VOTE

You may vote by attending the Meeting in person or by proxy, attorney or authorised representative.

VOTING IN PERSON

To vote in person, attend the Meeting on the date and at the place set out in the Notice of Meeting.

APPOINTMENT OF PROXIES

A Shareholder who is entitled to attend and vote is entitled to appoint a proxy to attend and vote at the Meeting. A Shareholder entitled to cast two or more votes may appoint one or two proxies and may specify the proportion of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy may be, but need not be, a Shareholder and can be an individual or a body corporate. **Your proxy form is enclosed.**

A body corporate appointed as a proxy may appoint an individual as its representative to exercise any of the powers of the body corporate can exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Meeting as soon as possible and either:

- (a) send the proxy form by fax to the Company's share registry on fax number + 61 2 9290 9655
- (b) deliver the proxy form to the Company's share registry, Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000 Australia;
- (c) post the proxy form to the Company's share registry, Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia,

so that it is received **no later than 1:00 pm (AEDT) on Saturday, 28 November 2015**, being not less than 48 hours prior to the commencement of the meeting. Proxy forms received later than this time will be invalid.

When the proxy form is executed under the power of attorney, the power of attorney must be lodged in the same way as the proxy form.

BODIES CORPORATE

A body corporate may appoint an individual as its representative to exercise any of the powers of the body corporate may exercise at meetings of the Company's Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body corporate could exercise at a meeting or in voting on a resolution.

The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

ENQUIRIES

Shareholders are invited to contact the Company Secretary, Mr David Batten on +61 2 9006 1799 if they have any queries in respect of the matters set out in this Notice of Meeting or the Explanatory Statement.

EXPLANATORY STATEMENT

INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Meeting. This Explanatory Statement should be read in full and in conjunction with the Notice of Meeting. Capitalised terms in this Explanatory Statement are defined in Definitions section of this Explanatory Statement. You should consult with your professional advisers if you have any questions in relation to how to vote on the Resolutions. There are resolutions to be put in the Meeting. Certain voting exclusions are imposed by the Listing Rules and the Corporations Act in relation to the Resolutions as detailed in the accompanying Notice of Meeting.

FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

The Corporations Act requires the Company to lay before the Annual General Meeting the Financial Report, Directors' Report (including the Remuneration Report) and the Auditor's Report for the financial year ended 30 June 2015. No resolution is required for this item, but Shareholders will be provided with a reasonable opportunity to ask questions or make comments in relation to these reports. The Company's auditor will also be present at the meeting and Shareholders will be given the opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

RESOLUTION 1 – REMUNERATION REPORT

General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders, however, such a resolution is advisory only and does not bind the Directors or the Company. The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the Annual Report of the Company for the financial year ending 30 June 2015. A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

Proxy Restrictions

Please note that:

- a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- a proxy need not be a Shareholder;
- a Shareholder may appoint a body corporate or an individual as its proxy;
- a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an

individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

Members of the Key Management Personnel will not be able to vote as proxy on Resolution 1 unless the Shareholder directs them how to vote or, in the case of the Chair, unless the Shareholder expressly authorises him to do so. If a Shareholder intends to appoint a member of the Key Management Personnel (other than the Chair) as their proxy, the Shareholder should ensure that they direct the member of Key Management Personnel how to vote on Resolution 1.

If a Shareholder intends to appoint the Chair as their proxy for Resolution 1, Shareholders can direct the Chair how to vote by marking one of the boxes for Resolution 1 (for example, if the Shareholder wishes to vote 'for', 'against' or to 'abstain' from voting). If the Shareholder does not direct the Chair how to vote, then by submitting the Proxy Form, the Shareholder will be expressly authorising the Chair to exercise the proxy in respect of Resolution 1 even though it is connected to the remuneration of members of the Key Management Personnel.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by:

- post to Boardroom Pty Limited, Level 12, 225 George Street, SYDNEY NSW 2000
- facsimile to the Company on + 61 2 9290 9655
- email to the Company Secretary at david.batten@sinovictor.com,

so that it is received by no later than **1:00pm (AEDT) on Saturday, 28 November 2015**. Proxy Forms received later than this time will be invalid.

The Board of Directors unanimously recommends that Shareholders vote in favour of Resolution 1.

RESOLUTION 2 – RE-ELECTION OF MR BIN ZHANG AS DIRECTOR

Clause 11.1(c), (d) and (e) of the Company's constitution provide that at the annual general meeting in every year one third of the Directors for the time being other than those who retire in accordance with Clause 11.4(b), or, if their number is not 3 nor a multiple of 3, then the number nearest one third, and any other Director not in such one third who has held office for 3 years or more (except the Managing Director), must retire from office and make themselves eligible for re-election.

Mr Bin Zhang having been in office for the longest, retires and offers himself for re-election.

The Board of Directors unanimously recommends that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – ELECTION OF MR GREG FORRESTER AS DIRECTOR

Clause 11.5(a) of the Company's constitution provides that the Company in general meeting may by resolution appoint a person as a Director and be elected at the next annual general meeting.

The Board of Directors unanimously recommends that Shareholders vote to in favour of Resolution 3.

DEFINITIONS

In this Explanatory Statement:

Annual General Meeting or Meeting means the annual general meeting of the Company convened by this Notice.

Annual Report means the Financial Report, Directors' Report and the Auditor's Report.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chair means the person appointed to chair the meeting of the Company convened by this Notice.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company or Victor means Victor Group Holdings Limited (ACN 165 378 834).

Constitution means the Constitution of the Company as at the date of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Explanatory Statement means this explanatory statement.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means the key management personnel of the Company as defined in section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Listing Rules means the official listing rules of ASX.

Notice means the Notice of Annual General Meeting which this Explanatory Statement accompanies.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's Annual Report for the year ended 30 June 2015.

Resolution means a resolution referred to in this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Specified Resolutions means Resolutions 2 and 3.

In the Notice and this Explanatory Statement, words importing the singular include the plural and vice versa.