

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Cosmos Machinery Enterprises Limited (the “Company”) will be held at Conference Room, 31/F., Billion Plaza, 8 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong on Friday, 12 June 2020 at 9:30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements, the report of the directors and independent auditor’s report for the year ended 31 December 2019.
2. To re-elect the retiring directors (*note 2*) and to authorise the board of directors to fix the remuneration of the directors.
3. To re-appoint Ting Ho Kwan & Chan as auditor of the Company to hold office until the conclusion of the next annual general meeting and to authorize the board of directors to fix their remuneration.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period 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 it is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors of the Company 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 aggregate number of issued shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; (ii) 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 of the Company; (iii) the share award scheme or the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited; or (iv) any scrip dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed the aggregate of 20% of the number of shares of the Company in issue as at the date of passing this resolution; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 of the Company or any applicable laws or rules to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.
- (iv) “Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or any class thereof (subject to such exclusion or other arrangements as the directors of the Company 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

A. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period of all the powers of the Company to buy back number of shares in issue of the Company on The Stock Exchange of Hong Kong Limited, and that the exercise by the directors of the Company of all the powers of the Company to buy back such shares subject to and in accordance with all applicable laws or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and it is hereby generally and unconditionally approved;
- (b) in addition, the approval in paragraph (a) above shall authorize the directors on behalf of the Company during the Relevant Period to procure the Company to buy back shares at a price determined by the directors;

- (c) the aggregate number of shares bought back or agreed conditionally or unconditionally to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate number of shares of the Company in issue as at the date of passing this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 of the Company or any applicable laws or rules to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.”

- B. “**THAT** conditional upon the passing of the ordinary resolution 5A above, the aggregate number of issued shares in the Company which are bought back by the Company pursuant to and in accordance with the said ordinary resolution 5A shall be added to the aggregate number of issued shares in the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with the ordinary resolution 4 above.”

By order of the Board
Man Wing Yan
Company Secretary

Hong Kong, 27 April 2020

Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company. Forms of Proxy must be lodged at the Company's share registrar, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting (i.e. at or before 9:30 a.m. Wednesday, 10 June 2020).
2. With respect to resolution 2, Messrs. Wong Yiu Ming, Tang Yu, Freeman, Yeung Shuk Fan and Ho Wei Sem will retire from office by rotation pursuant to the articles of association of the Company and all being eligible, offer themselves for re-election at the meeting.
3. The Register of Members of the Company will be closed from Friday, 5 June 2020 to Friday, 12 June 2020, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 4 June 2020.
4. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect at the time of the meeting, the meeting will be held as scheduled unless further notice posted on the websites of the Company at www.cosmel.com. and the Stock Exchange at <https://www.hkexnews.hk> to notify shareholders of the date, time and place of the rescheduled meeting. Shareholders should make their own decision as to whether they would attend the Meeting under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.
5. As at the date of this notice, the board of directors of the Company comprises Mr. Tang To (Chairman), Mr. Wong Yiu Ming (Executive Vice Chairman), Mr. Tang Yu, Freeman (Chief Executive Officer) and Mr. Mei Zheqi as executive Directors, Mr. Kan Wai Wah and Mr. Qu Jinping as non-executive Directors, and Ms. Yeung Shuk Fan, Mr. Cheng Tak Yin, Mr. Ho Wei Sem and Mr. Huang Zhi Wei as independent non-executive Directors.