
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of 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 Tongguan Gold Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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潼關黃金集團有限公司 Tongguan Gold Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00340)

PROPOSED CHANGE OF AUDITORS AND NOTICE OF SGM

Terms used in this cover shall have the same meanings as defined in this circular.

A notice convening the special general meeting of the Company to be held at Room 1306, 13/F., Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong on Friday, 21 January 2022 at 2:30 p.m. is set out on pages 7 to 8 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Union Registrars Limited of Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible but 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 will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

Please see pages 1 to 2 of this document for measures being taken to try to prevent and control the spread of the Coronavirus at the SGM, including but not limited to:

- **compulsory temperature checks;**
- **compulsory wearing of surgical face masks; and**
- **no distribution of corporate gifts and refreshments.**

Any person who does not comply with the precautionary measures may be denied entry into the SGM venue. The Company reminds Shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution at the SGM as an alternative to attending the SGM in person.

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PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the SGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the SGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the SGM venue or be required to leave the SGM venue.
- (ii) All Shareholders, proxies and other attendees may be asked whether (a) he/she has travelled outside of Hong Kong within the 14-day period immediately before the SGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the SGM venue or be required to leave the SGM venue.
- (iii) All attendees are required to wear surgical face masks inside the SGM venue at all times, and to maintain a safe distance between seats.
- (iv) No refreshments will be served, and there will be no corporate gifts.

To the extent permitted under law, the Company reserves the right to deny entry into the SGM venue or require any person to leave the SGM venue in order to ensure the safety of the attendees at the SGM.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the SGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the SGM as their proxy to vote on the relevant resolution at the SGM instead of attending the SGM in person.

A proxy form is attached to this circular. Alternatively, the proxy form can be downloaded from the "Investor Relations" section of the Company's website at <http://www.tongguangold.com>. If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

PRECAUTIONARY MEASURES FOR THE SPECIAL GENERAL MEETING

If Shareholders choosing not to attend the SGM in person have any questions about the relevant resolution, or about the Company or any matters for communication with the Board, they are welcome to contact the company secretary of the Company as follows:

Leung Lai Ming

Email: enquiry@tongguangold.com

Fax: (852) 2295 0611

If Shareholders have any questions relating to the SGM, please contact Union Registrars Limited, the Company's branch share registrar in Hong Kong as follows:

Union Registrars Limited

Suites 3301-04, 33/F.,

Two Chinachem Exchange Square

338 King's Road

North Point, Hong Kong

E-mail: chinamining@unionregistrars.com.hk

Tel: (852) 2849 3399

Fax: (852) 2849 3319

DEFINITIONS

In this circular, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein:

“BDO”	BDO Limited
“Board”	the board of Directors
“CCTH”	CCTH CPA Limited
“Change of Auditors”	the proposed appointment of CCTH as new auditors of the Company following the resignation of BDO, the former auditors of the Company
“Company”	Tongguan Gold Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the 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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Change of Auditors
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



潼關黃金集團有限公司
Tongguan Gold Group Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 00340)

Executive Directors:

Mr. Yeung Kwok Kuen
Mr. Shi Xing Zhi
Mr. Shi Sheng Li

Independent Non-executive Directors:

Mr. Chu Kang Nam
Mr. Liang Xu Shu
Mr. Leung Ka Wo

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*

Room 1306, 13th Floor,
Bank of America Tower,
12 Harcourt Road, Admiralty,
Hong Kong

4 January 2022

To the Shareholders,

Dear Sir or Madam,

**PROPOSED CHANGE OF AUDITORS
AND
NOTICE OF SGM**

INTRODUCTION

Reference is made to the announcement of the Company dated 29 December 2021 in relation to the Change of Auditors. The purpose of this circular is to provide you with further information regarding the Change of Auditors and to give you the notice of the SGM in order to enable you to make an informed decision as to whether to vote for or against the ordinary resolution relating to the Change of Auditors.

LETTER FROM THE BOARD

CHANGE OF AUDITORS

As set out in the announcement of the Company dated 29 December 2021, the Directors have announced that BDO, the auditors of the Company, have resigned as the auditors of the Company with effect from 29 December 2021 as the Company and BDO could not reach an agreement on the audit fee for the financial year ended 31 December 2021.

BDO were re-appointed as auditors of the Company at the last annual general meeting of the Company held on 28 May 2021 to hold office until the conclusion of the next annual general meeting of the Company. The Company received a notice of resignation from BDO in respect of their resignation as auditors of the Company and its subsidiaries with effect from 29 December 2021.

The Board proposed to appoint CCTH as the auditors of the Company to fill the casual vacancy following the resignation of BDO and to hold office until the conclusion of the next annual general meeting of the Company. Pursuant to Bye-law 157 of the Bye-laws of the Company, the SGM is convened to approve the appointment.

In the notice of resignation to the Company, BDO has confirmed that there are no circumstances connected with its resignation which needs to be brought to the attention of the members of the Company or its subsidiaries. To the best knowledge of the Directors, there are also no circumstances in respect of the Change of Auditors which they consider should be brought to the attention of the Shareholders.

GENERAL

The SGM will be held at Room 1306, 13/F., Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong on Friday, 21 January 2022 at 2:30 p.m. for the purpose of considering and, if thought fit, approving the ordinary resolution in respect of the Change of Auditors.

The notice convening the SGM is set out on pages 7 to 8 of this circular. A form of proxy for use at the SGM is enclosed. Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the SGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

RECOMMENDATION

Having considered the circumstances set out as above, the Directors believe that the Change of Auditors is in the best interests of the Company and the Shareholders as a whole.

The Directors therefore recommend the Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the Change of Auditors.

Yours faithfully,
By Order of the Board
Tongguan Gold Group Limited
Yeung Kwok Kuen
Executive Director and Chief Financial Officer

NOTICE OF SPECIAL GENERAL MEETING



潼關黃金集團有限公司 Tongguan Gold Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00340)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Tongguan Gold Group Limited (the “**Company**”) will be held at Room 1306, 13/F., Bank of America Tower, 12 Harcourt Road, Admiralty, Hong Kong on Friday, 21 January 2022 at 2:30 p.m. for the purpose of considering and, if thought fit, approving the following resolution as an ordinary resolution of the Company, with or without amendments:

ORDINARY RESOLUTION

1. “**THAT** CCTH CPA Limited be and are hereby appointed as auditors of the Company to fill the vacancy following the resignation of BDO Limited, and to hold office until the conclusion of the next annual general meeting of the Company and that the board of directors of the Company be authorised to fix their remuneration.”

On behalf of the Board

Tongguan Gold Group Limited

Yeung Kwok Kuen

Executive Director and Chief Financial Officer

Hong Kong, 4 January 2022

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in

Hong Kong:
Room 1306, 13th Floor,
Bank of America Tower,
12 Harcourt Road, Admiralty,
Hong Kong

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or if he holds two or more shares, more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited of Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. Where there are joint holders of a share of the Company, any one of such holders may vote at the meeting, 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 holders are present at the meeting, 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. Several executors or administrators of a deceased member in whose name any share stands shall for this purpose be deemed joint holders thereof.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. The register of members of the Company will be closed from Tuesday, 18 January 2022 to Friday, 21 January 2022, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending the forthcoming special general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Monday, 17 January 2022.
6. If Typhoon Signal No. 8 or above, "extreme conditions" caused by super typhoons, or a "black" rainstorm warning is in effect in Hong Kong any time after 11:30 a.m. on the date of the special general meeting, the meeting will be postponed. The Company will post an announcement on the website of Company at www.tongguangold.com 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.

As at the date of this notice, the board of directors of the Company comprises Mr. Yeung Kwok Kuen, Mr. Shi Xing Zhi and Mr. Shi Sheng Li as executive Directors and Mr. Chu Kang Nam, Mr. Liang Xu Shu and Mr. Leung Ka Wo as independent non-executive Directors.