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If you have sold or transferred all your shares in China Ecotourism Group Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.



China Ecotourism Group Limited

中國生態旅遊集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1371)

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,
AMENDMENTS TO THE BYE-LAWS AND
ADOPTION OF NEW BYE-LAWS OF THE COMPANY
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of China Ecotourism Group Limited to be held at Unit 1801, 18/F., Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong at 10:00 a.m. on Wednesday, 1 November 2023 is set out on pages 34 to 38 of this circular. Whether or not you intend to be present at the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same to the principal place of business of the Company at Unit 1801, 18/F., Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong as soon as possible and in any event not later than 48 hours (i.e. 10:00 a.m. on Monday, 30 October 2023 (Hong Kong time)) before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be). Completion and deposit of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof (as the case may be) should you so wish.

9 October 2023

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DEFINITIONS

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

“Amendments”	the amendments and restatement of the Bye-laws as set out in Appendix III to this circular
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Unit 1801, 18/F., Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong at 10:00 a.m. on Wednesday, 1 November 2023
“associates”	shall have the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the existing Bye-laws of the Company, as amended, supplemented and restated from time to time
“close associates”	shall have the meaning ascribed thereto in the Listing Rules
“Committee”	the nomination committee of the Board
“Companies Act”	The Companies Act 1981 of Bermuda (as amended)
“Company”	China Ecotourism Group Limited, an exempted 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
“Latest Practicable Date”	3 October 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange (as amended from time to time)
“New Bye-laws”	the amended and restated Bye-laws of the Company incorporating and consolidating all the proposed Amendments
“New Repurchase Mandate”	the proposed general mandate to be granted to the Directors at the Annual General Meeting to permit the repurchase of Shares of up to a maximum of 10% of the issued share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“Notice of Annual General Meeting”	the notice to convene the Annual General Meeting dated 9 October 2023
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended from time to time)
“Share(s)”	ordinary shares of HK\$0.50 each (or of such other nominal amount as shall result from a sub-division or a consolidation of such shares from time to time) in the capital of the Company
“Share Issue Mandate”	the proposed general mandate to be granted to the Directors at the Annual General Meeting to permit the allotment and issue of new Shares or other securities in the Company of up to a maximum of 20% of the issued share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate
“Shareholders”	registered holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	a company which is for the time being and from time to time a subsidiary (within the meaning of Section 15 of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong) of the Company whether incorporated in Hong Kong, Bermuda or elsewhere
“Takeover Code”	The Code on Takeovers and Mergers and Share Buy-backs



China Ecotourism Group Limited

中國生態旅遊集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1371)

Executive Directors

Ms. CHAN Tan Na, Donna (*Chairperson*)

Mr. WU Jingwei

Mr. DI Ling

Mr. QIU Peiyuan

Registered office

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 12

Bermuda

Independent Non-Executive Directors

Mr. HUANG Shenglan

Mr. CHAN Ming Fai

Dr. MENG Zhijun

*Head office and principal
place of business*

Unit 1801, 18/F.

Landmark South

39 Yip Kan Street

Wong Chuk Hang

Hong Kong

9 October 2023

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,
AMENDMENTS TO THE BYE-LAWS AND
ADOPTION OF NEW BYE-LAWS OF THE COMPANY
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the information on the resolutions to be proposed at the Annual General Meeting relating to (i) the re-election of Directors; (ii) the grant of the New Repurchase Mandate to the Board; (iii) the grant of the Share Issue Mandate to the Board; and (iv) the amendments to the Bye-laws and adoption of New Bye-laws.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with bye-law 99 of the Bye-laws, Mr. WU Jingwei and Mr. CHAN Ming Fai shall retire from office by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

The Committee has reviewed (i) the structure and composition of the Board; (ii) the confirmation and disclosures given by the retiring Director; and (iii) the professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategies, time commitment and contribution of the retiring Director with reference to the nomination principles and criteria set out in the Company's board diversity policy and nomination policy.

The Committee has formed the view that the Retiring Directors will be able to continue to contribute to the Board with their perspectives, skills and experience. In addition, Mr. CHAN Ming Fai has made an annual confirmation to the Company on his independence pursuant to Rule 3.13 of the Listing Rules.

Mr. CHAN Ming Fai has served as Independent Non-Executive Directors for more than nine years. The Committee considered that his long service would not affect his exercise of independent judgment and was satisfied that Mr. CHAN Ming Fai has the required integrity and experience to continue fulfilling the role of Independent Non-Executive Directors. As a good corporate governance practice, Mr. CHAN Ming Fai did not participate in the discussion or provide opinions on the propositions concerning his own retirement and re-election at the relevant Committee meeting.

Accordingly, the Committee has recommended to the Board on re-election of the above retiring Directors who are due to retirement at the Annual General Meeting, and the Board has considered the re-election of Mr. WU Jingwei and Mr. CHAN Ming Fai as Directors, is in the best interests of the Company and the Shareholders as a whole and has resolved to propose to re-elect each of the retiring Directors at the Annual General Meeting.

Details of retiring Directors proposed to be re-elected at the forthcoming Annual General Meeting are set out in Appendix I to this circular.

GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

At the annual general meeting of the Company held on 2 August 2022, resolutions were passed giving general mandates to the Board (i) to exercise the powers of the Company to repurchase Shares of the Company on the Stock Exchange or other recognised stock exchanges up to 10% of the issued share capital of the Company as at 2 August 2022; and (ii) to allot, issue and deal with additional Shares of the Company up to a limit equal to the aggregate of (a) 20% of the issued share capital of the Company as at 2 August 2022; and (b) the aggregate nominal amount of any Shares repurchased by the Company pursuant to the general mandate as described in paragraph (i) above. These general mandates will lapse at the conclusion of the forthcoming Annual General Meeting of the Company.

LETTER FROM THE BOARD

The Board wishes to seek your approval of the resolutions as set out in ordinary resolutions 5 to 7 to be proposed at the forthcoming Annual General Meeting to renew these general mandates to the Board to repurchase Shares and to issue additional Shares subject to the limitations and conditions of the Listing Rules.

As at the Latest Practicable Date, the issued share capital of the Company comprised 154,422,109 Shares. Subject to the passing of the proposed resolution for the Share Issue Mandate and on the basis that there will be no variation in the number of issued Shares prior to the date of the forthcoming Annual General Meeting, the Board would be allowed to issue additional Shares up to a maximum of 30,884,421 Shares.

An explanatory statement as required by the Listing Rules to provide you with the requisite information on the proposed general mandate to repurchase Shares is set out in Appendix II to this circular.

AMENDMENTS TO THE BYE-LAWS

The Listing Rules have been amended with effect from 1 January 2022 which requires, among others, listed issuers to adopt an uniform set of 14 “Core Standards” for shareholder protections. As such, the Board proposes the Amendments to, among others, (i) bring the Bye-laws in line with amendments made to the Listing Rules and applicable laws of the Bermuda; and (ii) make certain house-keeping amendments to the Bye-laws for the purpose of clarifying the existing practice. Details of the proposed Amendments are set out in Appendix III to this circular. The Company has been advised by its legal advisers that the proposed Amendments conform to the requirements of the Listing Rules and do not contravene the laws of the Bermuda. The Company also confirms that there is nothing unusual about the proposed Amendments to the Bye-laws for a company listed on the Stock Exchange. A special resolution will be proposed at the Annual General Meeting for the Shareholders to, among others, consider and, if thought fit, approve the proposed Amendments and adoption of the New Bye-laws. The New Bye-laws will come into effect on the date on which the special resolution is duly passed at the Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

The Notice of Annual General Meeting is set out on pages 34 to 38 in Appendix IV to this circular and a form of proxy for the Annual General Meeting is enclosed. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and deposit the same to the principal place of business of the Company at Unit 1801, 18/F., Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong as soon as possible, and in any event, not less than 48 hours (i.e. 10:00 a.m. on Monday, 30 October 2023 (Hong Kong time)) before the time appointed for holding of the Annual General Meeting or any adjournment thereof (as the case may be). Completion and deposit of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof (as the case may be) should you so wish.

LETTER FROM THE BOARD

VOTING BY POLL

Under Rule 13.39(4) of the Listing Rules, vote(s) of shareholders at general meeting(s) must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, poll shall be demanded for all resolutions put to vote at the forthcoming Annual General Meeting.

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.

RECOMMENDATION

The Board considers that (i) the re-election of Directors; (ii) the grant of the New Repurchase Mandate to the Board; (iii) the grant of the Share Issue Mandate to the Board; and (iv) the Amendments to the Bye-laws, including the adoption of the New Bye-laws, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all the Shareholders should vote in favour of the relevant resolutions to be proposed at the forthcoming Annual General Meeting.

Yours faithfully
For and on behalf of the Board
China Ecotourism Group Limited
CHAN Tan Na, Donna
Chairperson

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

To enable the Shareholders to make an informed decision on the re-election of the retiring Directors, we set out below the biographical details of the retiring Directors for Shareholders' information.

Mr. WU Jingwei, aged 52, joined the Group in 2007, and is currently an Executive Director. Mr. Wu assists the Board's Chairperson in planning and leading the implementation of the Group's overall strategies for development. Mr. Wu has overall responsibilities for the operations and management of the Group's lottery business with extensive experience in leading the China Welfare Lottery Video Lottery Business, Computer-generated Ticket Games Business, Video Lottery Business and New Media Lottery Business. Mr. Wu has over twenty years of experience in information technology. Prior to joining the Group, Mr. Wu had held senior management positions in PKU Founder Group and Hisense Group. Mr. Wu holds a Bachelor's degree in Mechanical Engineering from Beijing Technology and Business University. Mr. Wu did not hold any directorships in any other listed public companies in the past three years prior to the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Wu has a personal interest of 1,233,000 Shares within the meaning of Part XV of the SFO. Mr. Wu does not have any relationship with any other Director, senior management, substantial shareholder, or controlling shareholder of the Company. Mr. Wu has entered into a service agreement with the Company with no specified term of office after an initial term of three years. Mr. Wu is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Wu shall be entitled to an emolument of approximately HK\$747,500 per annum. This excluded bonus which is payable or other benefits which may be granted at the discretion of the Company. The emoluments of the Directors are determined with reference to that director's responsibilities, abilities and performance, the Company's operations, as well as remuneration benchmark in the industry and prevailing market conditions.

Mr. CHAN Ming Fai, aged 62, joined the Group in 2006, and is currently an Independent Non-executive Director of the Company. Mr. Chan is currently an independent business consultant. Prior to that, he was the chief executive officer of Full Seas Technology Group and the president of Dandelion Capital Group, which is a private financial advisory company. He has over thirty years of experience in investment banking and asset management. Mr. Chan had worked for Jardine Fleming Investment Management with a major responsibility to market unit trusts and asset management products in Hong Kong and subsequently in various Asian markets, and was particularly instrumental in the establishment of Jardine Fleming's investment trust operation in Japan, Korea and Indonesia. Mr. Chan also co-founded the KGI Group, which is a pan-Asian investment bank with shareholders including major investors and institutions in Asia, where he was the head of the asset management operation, which managed about USD400 million in hedge funds and other investment portfolios, and was also a member of the management committee of KGI Group. Mr. Chan holds a Bachelor's degree in Social Sciences with a major in Economics from the University of Hong Kong. Mr. Chan was a non-executive director of Alliance Mineral Assets Limited and WINDMILL Group Limited in the previous three years.

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

As at the Latest Practicable Date, Mr. Chan does not have any interest of Shares within the meaning of Part XV of the SFO. Mr. Chan does not have any relationship with any other Director, senior management, substantial shareholder, or controlling shareholder of the Company. There is no service contract between Mr. Chan and the Company but Mr. Chan is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Chan shall be entitled to an emolument of HK\$336,000 per annum. This excluded bonus which is payable or other benefits which may be granted at the discretion of the Company. The emoluments of the Directors are determined with reference to that director's responsibilities, abilities and performance, the Company's operations, as well as remuneration benchmarks in the industry and prevailing market conditions. Mr. Chan is a member of the audit committee, remuneration committee and nomination committee of the Company. Save as disclosed above, he does not hold any position with the Group.

Save as disclosed above, there is no other information which is disclosable nor are the above Directors involved in any matters required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules. There are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Directors.

This appendix serves as the explanatory statement required by the Listing Rules to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the New Repurchase Mandate to be granted to the Board.

THE REPURCHASE PROPOSAL

The New Repurchase Mandate will authorise the Board to repurchase on the Stock Exchange, or on another exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Code on Share Buy-backs. Shares of the Company up to a maximum of 10% of the issued share capital of the Company as at the date on which the resolution approving the New Repurchase Mandate is passed.

Based on the 154,422,109 Shares in issue as at the Latest Practicable Date, the Company would be allowed under the New Repurchase Mandate to repurchase a maximum of 15,442,210 Shares on the basis that there will be no variation in the number of issued Shares prior to the date of the Annual General Meeting.

The authority conferred on the Board by the New Repurchase Mandate would continue in force until (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 to be held by law; or (iii) the variation or revocation of the New Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

REASONS FOR REPURCHASES

The Board considers that it is in the best interests of the Company and the Shareholders to have the New Repurchase Mandate. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share and/or dividend per Share and will only be made when the Board believes that such repurchases will benefit the Company and the Shareholders.

SOURCE OF FUNDS

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-laws and the laws of Bermuda. Pursuant to the Companies Act, any Share repurchased under the New Repurchase Mandate would be purchased out of the capital paid up on the repurchased Shares, the funds of the Company which would otherwise be available for dividend or distribution, the proceeds of a fresh issue of Shares made for the purpose of the repurchase. The premium, if any, payable on the repurchase will be provided out of the funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased.

EFFECT ON WORKING CAPITAL

The Board considers that there might be an adverse impact on the working capital or the gearing position of the Company as compared with the position disclosed in the audited financial statements as at 30 June 2023 in the event that the New Repurchase Mandate is exercised in full. However, the Board does not propose to exercise the New Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, have any present intention to sell Shares to the Company under the New Repurchase Mandate in the event that the New Repurchase Mandate is approved by the Shareholders.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchases pursuant to the New Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

TAKEOVER CODE

If as a result of a Share repurchased by the Company such that a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeover Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could, depending on the level of increase in his/their shareholding interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date, the aggregate interest of Ms. LAU Ting and her acting in concert parties, through their aggregate personal interests of approximately 34.08%, aggregate corporate interests of approximately 2.34%, in the Shares were approximately 36.42% of the Company's issued share capital.

In the event that the Directors exercised in full the power to repurchase Shares which is proposed to be granted pursuant to the New Repurchase Mandate, the aggregate interests held by Ms. LAU Ting would be increased to approximately 40.47% of the issued share capital of the Company.

In the opinion of the Directors, on the basis of the current shareholding in the Company, an exercise of the New Repurchase Mandate in full may result in Ms. LAU Ting and her acting in concert parties to becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code as a consequence of any purchases pursuant to the New Repurchase Mandate.

The Directors have no intention to exercise the New Repurchase Mandate to such an extent that will result in any mandatory offer being required under the Takeovers Code or will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

SHARE PURCHASES MADE BY THE COMPANY

The Company had not purchased any Shares on the Stock Exchange during the six months preceding the Latest Practicable Date.

CORE CONNECTED PERSONS

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the New Repurchase Mandate is approved by the Shareholders.

MARKET PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the twelve calendar months preceding the Latest Practicable Date were as follows:

Months	Share Price (<i>per Share</i>)	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
October 2022	0.960	0.640
November 2022	0.880	0.700
December 2022	1.200	0.660
January 2023	1.100	0.710
February 2023	0.880	0.680
March 2023	0.850	0.610
April 2023	0.800	0.620
May 2023	0.710	0.520
June 2023	0.690	0.520
July 2023	0.670	0.510
August 2023	0.680	0.345
September 2023 and up to the Latest Practicable Date	0.430	0.245

The following are the proposed amendments to the existing Bye-laws. Unless otherwise specified, clauses, paragraphs and numbers referred to herein are the clauses, paragraphs and numbers of the existing Bye-laws.

1. Amend and replace the cover page and content page of the Bye-laws as follows:

AMENDED AND RESTATED BYE-LAWS

OF

China Ecotourism Group Limited

中國生態旅遊集團有限公司

(formerly known as China LotSynergy Holdings Limited 華彩控股有限公司
and WorldMetal Holdings Limited)*

(Incorporated in Bermuda with limited liability)

(as adopted by a Special Resolution passed on 1 November 2023)

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2. Amend the following clause in the Bye-laws:

1. (A) The marginal notes to these Bye-Laws shall not be deemed to be part of these Bye-Laws and shall not affect their interpretation and, in the interpretation of these Bye-Laws, unless there be something in the subject or context inconsistent therewith:

Marginal
Notes

“appointed newspaper” shall have the meaning as defined in the Companies Act;

Definitions

“associate” shall have the meaning ascribed to it in the Listing Rules or by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;

“Auditors” shall mean the persons for the time being performing the duties of that office;

“Bermuda” shall mean the Islands of Bermuda;

“the Board” shall mean the board of directors of the Company as constituted from time to time or (as the context may require) the majority of Directors present and voting at a meeting of the Directors at which a quorum is present;

“these Bye-Laws” or “these presents” shall mean these Bye-Laws in their present form and all supplementary, amended or substituted Bye-Laws for the time being in force;

“call” shall include any instalment of a call;

“capital” shall mean the share capital from time to time of the Company;

“the Chairman” shall mean the Chairman presiding at any meeting of shareholders or of the Board;

“Clearing House” shall mean a recognised clearing house within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any amendments thereto for the time being or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction, including in the case of the Company, the HKSCC;

“the Companies Act” shall mean the Companies Act 1981 of Bermuda as may from time to time be amended;

“the Company” or “this Company” shall mean China Ecotourism Group Limited incorporated in Bermuda on the 13th September, 2000;

“corporate representative” means any person appointed to act in that capacity pursuant to Bye-Laws 87(A) or 87(B);

“debenture” and “debenture holder” shall respectively include “debenture stock” and “debenture stockholder”;

“Director” means a director of the Company;

“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;

“electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as may be amended from time to time;

“Head Office” shall mean such office of the Company as the Directors may from time to time determine to be the principal office of the Company;

“HK\$” shall mean Hong Kong dollars or other lawful currency of Hong Kong;

“HK Companies Ordinance” the Companies Ordinance, Cap. 622 of the Laws of Hong Kong as may be amended from time to time;

“HKSCC” shall have the meaning as defined in the Listing Rules;

“holding company” and “subsidiary” shall have the meanings ascribed to them by the Companies Act;

“Listing Rules” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended, supplemented or modified from time to time;

“month” shall mean a calendar month;

“Newspapers”, in relation to the publication in newspapers of any notice, shall mean in English in one leading English language daily newspaper and in Chinese in one leading Chinese language daily newspaper published and circulating generally in the Relevant Territory and specified for this purpose by the stock exchange in the Relevant Territory;

“paid up” in relation to a share, shall mean paid up or credited as paid up;

“the Principal Register” shall mean the register of shareholders of the Company maintained in Bermuda;

“the register” shall mean the Principal Register and any branch register to be kept pursuant to the provisions of the Statutes;

“Registered Office” shall mean the registered office of the Company for the time being;

“Registration Office” shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Directors from time to time determine to keep a branch register of shareholders in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered;

“Relevant Territory” shall mean Hong Kong or such other territory as the Directors may from time to time decide if the issued ordinary share capital of the Company is listed on a stock exchange in such territory;

“Seal” shall mean any one or more common seals from time to time of the Company for use in Bermuda or in any place outside Bermuda;

“Secretary” shall mean the person or corporation for the time being performing the duties of that office;

“Securities Seal” shall mean a seal for use for sealing certificates for shares or other securities issued by the Company which is a facsimile of the Seal of the Company with the addition on its face of the words “Securities Seal”;

“share” shall mean share in the capital of the Company;

“shareholder” shall mean the duly registered holder from time to time of the shares in the capital of the Company;

“Statutes” shall mean the Companies Act, the Electronic Transactions Act 1999 of Bermuda, and every other act (as amended from time to time) for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents;

“Transfer Office” shall mean the place where the Principal Register is situate for the time being; and

“writing” or “printing” shall include writing, printing, lithography, photography, typewriting, and every other mode of representing words or figures in a legible and non-transitory form, including in electronic form.

(B) In these Bye-Laws, unless there be something in the subject or context inconsistent herewith: General

- words denoting the singular shall include the plural and words denoting the plural shall include the singular;
- words importing any gender shall include every gender and words importing persons shall include partnerships, firms, companies and corporations;
- subject as aforesaid, any words or expressions defined in the Companies Act (except any statutory modification thereof not in force when these Bye-Laws become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Bye-Laws, save that “company” shall where the context permits include any company incorporated in Bermuda or elsewhere; and references to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force;
- references to a meeting is to a meeting convened and held in any manner permitted by these Bye-Laws and any member or Director participating in a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Companies Act and these Bye-Laws, and the terms “attend”, “participate”, “attending”, “participating”, “attendance” and “participation” shall be construed accordingly; and
- references to electronic facilities includes, without limitation, a website address, a webinar, a webcast, video or any other form of conference call system (being a telephone, video, web or other system).

(C) A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such shareholders as, being entitled so to do, vote in person or, by proxy or, in the cases of shareholders which are corporations, by its—~~their~~ respective duly authorised corporate representatives ~~or, where proxies are allowed, by proxy~~ at a general meeting of which not less than 21 days' notice, specifying (without prejudice to the power contained in these presents to amend the same) the intention to propose the resolution as a special Resolution, has been duly given. Provided that, if it is so agreed by a majority in number of the shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as a special Resolution at a meeting of which less than 21 days' notice has been given.

Special
Resolution

(D) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such shareholders as, being entitled so to do, vote in person or, by proxy or, in the cases of shareholders which are corporations, by its—~~their~~ respective duly authorised corporate representatives ~~or, where proxies are allowed, by proxy~~ at a general meeting held in accordance with these presents and of which not less than 14 days' notice has been duly given. Provided that, if it is so agreed by a majority in number of the shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as an Ordinary Resolution at a meeting of which less than 14 days' notice has been given.

Ordinary
Resolution

3. Amend the following clause in the Bye-laws:

4. The Board may, subject to the approval by the shareholders in general meeting, issue warrants or convertible securities or securities of similar nature to subscribe for any class of shares or securities of the Company on such terms as the Board may from time to time determine. Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.

Warrants

4. Amend the following clause in the Bye-laws:

5. (A) For the purposes of Section 47 of the Companies Act, if at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Act, be varied or abrogated either with the consent in writing of the ~~holders~~ shareholders together holding at least of not less than three-fourths of the voting rights of issued shares in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Bye-Laws relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be not less than two shareholders ~~persons~~ holding or representing by corporate representatives or by proxy one-third ~~in nominal value~~ of the voting rights of issued shares of that class, and that any holder of shares of the class present in person or by proxy or by a duly authorised corporate representative may demand a poll.
- (B) The provisions of this Bye-Law shall apply to the variation or abrogation of the special rights attached to the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied or abrogated.
- (C) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking pari passu therewith.

How rights
of shares
may be
modified

5. Amend the following clause in the Bye-laws:

6. (A) The authorised share capital of the Company at the date on which these Bye-Laws come into effect is HK\$125,000,000 divided into ~~125,000,000~~250,000,000 shares of par value ~~HK\$0.01~~0.5 each.
- (B) Subject to the Statutes, the power contained in the Memorandum of Association for the Company to purchase or otherwise acquire its shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.

Company to
purchase its
own shares

- (C) Subject, where applicable, to the Listing Rules ~~rules of any relevant stock exchange~~, the Company may in accordance with an employees' share scheme approved by the shareholders in general meeting provide money on such terms as the Board thinks fit for the acquisition of fully or partly paid shares in the Company or its holding company. For the purposes of this Bye-Law, an employees' share scheme is a scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of bona fide employees or former employees (including, notwithstanding Section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) of the Company, a subsidiary of the Company or holding company or a subsidiary of the Company's holding company, or the wives, husbands, widows, widowers or children or step-children under the age of twenty-one of such employees or former employees.
- (D) Subject, where applicable, to the Listing Rules ~~rules of any relevant stock exchange~~, the Company, a subsidiary of the Company or holding company or a subsidiary of the Company's holding company may make loans to persons (including, notwithstanding Section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) employed in good faith by the Company with a view to enabling those persons to acquire fully or partly paid shares in the Company or its holding company to be held by them by way of beneficial ownership.
- (E) The conditions subject to which money and loans are provided under paragraphs (C) and (D) of this Bye-Law may include a provision to the effect that when an employee ceases to be employed by the Company, the shares acquired with such financial assistance shall or may be sold to the Company on such terms as the Board thinks fit.

Company to
finance
acquisition of
own shares

6. Insert the following new clause to the Bye-laws:

14. (C) Except when the register is closed in accordance with the Act, any Shareholder may inspect during business hours any register maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the HK Companies Ordinance. Subject to the provisions of the Act, the register may be closed at such time or for such period not exceeding in the whole thirty (30) days in each year as the Board may determine.

7. Amend the following clauses in the Bye-laws:

32. No shareholder shall be entitled to receive any dividend or bonus or to be present, speak and vote (save as proxy for another shareholder) at any general meeting, either personally, or (save as proxy for another shareholder) by proxy or by a duly authorised corporate representative, or be reckoned in a quorum, or to exercise any other privilege as a shareholder until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
- Suspension of privileges while call unpaid
44. The registration of transfers may be suspended and the register closed on giving notice by advertisement in an appointed newspaper and in the Newspapers, and where applicable, by announcements or electronic communication in such manner accepted by the stock exchange in the Relevant Territory at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares. The register shall not be closed for more than thirty days in any year.
- When transfer books and register may be closed
48. A person becoming entitled to a share by reason of the death, bankruptcy or winding-up of the ~~holders~~shareholder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-Law 77 being met, such a person may attend, speak and vote at general meetings of the Company.
- Retention of dividends, etc. until transfer or transmission of shares of a deceased or bankrupt share-holder
60. (A) The Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that financial year and shall specify the meeting as such in the notice calling it; ~~and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next and such annual general meeting must be held within six months after the end of the Company's financial year.~~ The annual general meeting ~~shall~~may be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.
- When annual general meeting to be held

(B) Save where a general meeting is required by the Companies Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend, speak and vote at general meetings of the Company shall, for the purposes of these Bye-Laws, be treated as an Ordinary Resolution duly passed at a general meeting of the Company and, where relevant, as a Special Resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last shareholder to sign, and where the resolution states a date as being the date of his signature thereof by any shareholder the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant shareholders.

Written
Resolutions
of
Shareholders

62. ~~The Board may, whenever it thinks fit, convene a special general meeting, as provided by the Companies Act, and, in default, may be convened by the requisitionists. Subject as otherwise provided by the Companies Act, special general meetings shall also be convened on the requisition of one or more shareholders holding, at the date of the deposit of the requisition in aggregate, in aggregate shares that represent not less than 10% of such of the paid-up capital of the Company, on a one vote per share basis, in the share capital of the Company as the date of the deposit carries the right of voting at general meetings of the Company, for the transaction of any business or resolution specified in such requisition. Such requisition must state the purposes of the meeting and must be signed by the requisitionists and deposited at the registered office of the Company. If the Board does not within 21 days from the date of the deposit of such requisition proceed duly to convene a special general meeting, the requisitionists themselves or any of them representing more than one half of the total voting rights of all of them may convene the special general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Board to convene such a meeting shall be repaid to them by the Company, pursuant to the Companies Act.~~

Convening of
special
general
meeting

63. An annual general meeting ~~and a meeting called for the passing of a Special Resolution~~ shall be called by at least twenty-one days' notice in writing, and all other a general meetings of the Company (including special general meeting) ~~other than an annual general meeting or a meeting for the passing of a Special Resolution~~ shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-Laws, entitled to receive such notices from the Company, provided that, subject to the provisions of the Companies Act, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:
- (i) in the case of a meeting called as the annual general meeting, by all the shareholders entitled to attend, speak and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend, speak and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.
66. For all purposes the quorum for a general meeting shall be two shareholders present in person or by its duly authorised corporate representative or by proxy and entitled to speak and vote or, for quorum purpose only, two persons appointed by the clearing house as authorised representative(s) or proxy(ies). No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the meeting.
67. If within fifteen minutes from the time appointed for the general meeting a quorum is not present, the meeting, if convened upon the requisition of shareholders, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board.
8. Insert the following new clause to the Bye-laws:
- 67A. All shareholders have the right to:
- (a) speak at a general meeting; and
- (b) vote at a general meeting,
- except where a shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

Notice of meetings

Quorum

When if quorum not present meeting to be dissolved and when to be adjourned

9. Amend the following clauses in the Bye-laws:

70. At any general meeting a resolution put to the vote of the meeting shall be decided ~~on a show of hands unless a poll is required by the Listing Rules or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by poll save that the Chairman of the meeting may, pursuant to the Listing Rules, allow a resolution which relates purely to a procedural or an administrative matter to be voted on by a show of hands. Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded by:~~

What is to be evidence of the passing of a resolution where poll not demanded

~~(i) by the Chairman of the meeting; or~~

(i) by at least three shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to attend, speak and vote at the meeting; or

(ii) by any shareholder or shareholders present in person or by its duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders, on a one vote per share basis, having the right to attend, speak and vote at the meeting; or

(iii) by any shareholder or shareholders present in person or by its duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to attend, speak and vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right. ~~;~~ ~~or~~

~~(v) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five (5) per cent. or more of the total voting rights at such meeting.~~

~~Unless a poll be so demanded and the demand is not withdrawn~~Where a resolution is voted on by a show of hands, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

77. Any person entitled under Bye-Law 46 to be registered as the holder of any shares may attend, speak and vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to attend, speak and/or vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to attend, speak and vote at such meeting in respect thereof.
- Votes in respect of deceased and bankrupt shareholders
78. Where there are joint registered holders of any share, any one of such persons may attend, speak and vote at any meeting, either personally 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 any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to attend, speak and vote in respect thereof. Several executors or administrators of a deceased shareholder in whose name any share stands shall for the purposes of this Bye-Law be deemed joint holders thereof.
- Joint holders
79. A shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may on a poll vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to attend, speak and vote shall be delivered to such place or one of such places (if any) as is specified in accordance with these Bye-Laws for the deposit of instruments of proxy or, if no place is specified, at the Registration Office.
- Votes of shareholder of unsound mind
10. Insert the following new clause to the Bye-laws:
80. (C) Where the Company has knowledge that any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.
- (D) There is no power to freeze or otherwise impair any rights attaching to any share by reason only that the person(s) who are interested directly or indirectly in a resolution have failed to disclose their interests to the Company.

11. Amend the following clause in the Bye-laws:

81. Any shareholder of the Company entitled to attend, Speak and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend, Speak and vote instead of him. Votes may be given either personally or by duly authorised corporate representative or by proxy. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend and speak on the same occasion provided that, if more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed. A proxy need not be a shareholder of the Company, and that every shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of the Company and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorised officer. In addition, a proxy or proxies representing either an individual shareholder or a shareholder which is a corporation, shall be entitled to exercise the same powers on behalf of the shareholder which he or they represent as such shareholder could exercise, including the right to vote ~~individually on a show of hands~~ and the right to speak.

Proxies

12. Insert the following new clause to the Bye-laws:

82A. The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Bye-laws) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation to the foregoing, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Bye-law is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address provided in accordance with this Bye-law or if no electronic address is so designated by the Company for the receipt of such document or information.

13. Amend the following clauses in the Bye-laws:

83. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at such place or one of such places (if any) as is specified in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is specified, at the Registration Office), or if the Company has provided an electronic address in accordance with Bye-law 82A, shall be received at the electronic address specified, not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in a case where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

Appointment
of proxy
must be
deposited

84. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in any common form or in such form as the Board may from time to time approve.

Form of
proxy

85. The instrument appointing a proxy to attend, speak and vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to demand or join in demanding a poll and to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit. Provided that any form issued to a shareholder for use by him for appointing a proxy to attend, speak and vote at a special general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the shareholder, according to his intentions, to instruct the proxy to speak and vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

Authority
under
instrument
appointing
proxy

87. (B) If a Clearing House (or its nominee(s)) is a shareholder of the Company, it may appoint such person or persons as it thinks fit to act as its proxy or proxies or as its corporate representative or representatives, at any meeting of the Company, or (where appropriate and subject to the Companies Act) at any meeting of creditors of the Company, or at any meeting of any class of shareholders of the Company provided that, if more than one proxy or corporate representative is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy or corporate representative is so appointed. A person so appointed under the provisions of this Bye-Law shall be entitled to exercise the same rights and powers on behalf of the Clearing House (or its nominee(s)) which he represents as that Clearing House (or its nominee(s)) could exercise as if it were an individual shareholder including the right to speak and vote individually on a show of hands, notwithstanding any contrary provisions contained in these Bye-Laws. The number of persons a Clearing House (or its nominee(s)) may appoint to act as its corporate representative or representatives shall not exceed the number of shares held by that Clearing House (or its nominee(s)), being shares in respect of which there is an entitlement to attend, speak and vote at the relevant meeting.

90. ~~The Company in general meetings~~shareholders may by Ordinary Resolution passed at a general meeting of the Company elect a person or persons qualified to be Directors to act as Directors in the alternative to any of the Directors of the Company or may authorise the Board to appoint such alternate Directors. Any alternate Director may be removed by the Company in general meeting by Ordinary Resolution and, if appointed by the Board, may be removed by the Board and, subject thereto, the office of alternate Director shall continue until the next annual election of Directors in accordance with Bye-Law 99 or, if earlier, the date on which the relevant Director ceases to be a Director. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director.

Alternate
Directors

102. (A) The Company may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the ~~next following~~first annual general meeting of the Company after his appointment and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

Appointment
of Directors

(B) The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director so appointed shall hold office only until the ~~next following~~first annual general meeting of the Company ~~(in the case of filling a casual vacancy)~~after his appointment and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

104. The ~~Company~~shareholders may by Ordinary Resolution passed at a general meeting of the Company remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Bye-Laws or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may elect another person in his stead. Any person so elected shall hold office only until the ~~next following~~first annual general meeting of the Company after his appointment and shall then be eligible for re-election at such meeting, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Power to
remove
Director by
Ordinary
Resolution

163. (B) ~~The Company shall at each annual general meeting~~shareholders may by an Ordinary Resolution appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of the Company or of any of its subsidiaries or a partner, officer or employee of any such Director, officer or employee shall not be capable of being appointed Auditors of the Company. Subject to the Listing Rules, the Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. Subject as otherwise provided by the Companies Act, the remuneration of the Auditors shall be fixed by or on the authority of the~~Company in the annual general meeting~~shareholders by Ordinary Resolution or in such manner as the shareholders may determine, except that in any particular year the ~~Company in the annual general meeting~~shareholders may by Ordinary Resolution delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

14. Insert the following new clause to the Bye-laws:

163. (C) The shareholders may, by a resolution passed by at least two-thirds of the votes cast at a general meeting of which notice specifying the intention to pass such resolution was given, remove the Auditors at any time before the expiration of their term of office, and shall by Ordinary Resolution at that meeting appoint other Auditors in his/its stead for the remainder of the term.

15. Amend the following clauses in the Bye-laws:

165. A person other than the ~~retiring~~incumbent Auditors shall not be capable of being appointed Auditors at an annual general meeting unless notice of an intention to nominate that person to the office of Auditors has been given to the Company not less than ~~fourteen~~twenty-one days before the annual general meeting, and the Company shall send a copy of any such notice to the ~~retiring~~incumbent Auditors and shall give notice thereof to the shareholders not less than seven days before the annual general meeting provided that the above requirements may be waived by notice in writing by the ~~retiring~~incumbent Auditors to the Secretary ~~provided that if after a notice of the intention to nominate Auditors has been so given an annual general meeting is called for a date fourteen days or less after that notice has been given, the notice, though not given within the time required by this Bye-Law, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the Company may instead of being sent or given within the time required by this provision be sent or given at the same time as the notice of the annual general meeting.~~

Appointment
of auditors
other than
incumbent
auditors

167. (B) Any notice or document to be given or issued under these Bye-Laws may be served by the Company on any shareholder personally, by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register, by delivering or leaving it at such aforesaid registered address by transmission via electronic means (including facsimile and electronic mail but not telephone), or (in the case of a notice) by advertisement in the Newspapers, in accordance with such directions as may be given by such shareholder to the Company for such purpose. Subject to due compliance with all applicable Statutes and the Listing Rules, the Company may, in addition to or instead of the aforesaid means, make notices, information or documents available to shareholders of the Company on the website of the Company and/or a relevant stock exchange, provided that, where required the Listing Rules, the Company notifies, ~~in accordance with the Listing Rules~~, the relevant shareholder of the presence of the notice, information or document, the address of the relevant website, the place on such website where the notice, information or document may be located, and instructions as to how the notice, information or document may be accessed on the website (“the Notification”).

169. Any notice sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is put into a post office situated within the Relevant Territory. Any other notice shall be deemed to have been served at the time when the same is delivered in the ordinary course of transmission. In proving such service, it shall be sufficient to show, if posted, the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office and the time when it was posted, the notice was delivered to the courier or transmitted by electronic means and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office or that delivery or transmission of the notice, as applicable, was made shall be conclusive evidence thereof. In the case of any notice made available to shareholders on the website of the Company and/or a relevant stock exchange, the notice, where required by the Listing Rules, shall be deemed to have been sent on the date on which the Company is required to provide the Notification under the Listing Rules or the date on which the notice first appears on the Company's website after the Notification is sent, whichever is earlier.

When notice
by post
deemed to be
served

16. Insert the following new clause to the Bye-laws:

171A. Every shareholder or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Bye-laws may register with the Company an electronic address to which notices can be served upon him.

17. Amend the following clauses in the Bye-laws:

175. A resolution that the Company ~~be wound up by the Court or~~ be wound up voluntarily shall be a Special Resolution.

Modes of
winding up

185. Notwithstanding any other provision of these Bye-Laws the Company or the Board may fix any date as the record date for shareholders entitled to receive notice and attend, speak and vote at any general meeting of the Company, and any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.



China Ecotourism Group Limited
中國生態旅遊集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 1371)

Notice is hereby given that the annual general meeting of China Ecotourism Group Limited (the “**Company**”) will be held at Unit 1801, 18/F., Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong at 10:00 a.m. on Wednesday, 1 November 2023 for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors and independence auditors of the Company for the eighteen months ended 30 June 2023.
2. (i) To re-elect Mr. WU Jingwei as director of the Company.

(ii) To re-elect Mr. CHAN Ming Fai as director of the Company.
3. To authorise the board of directors of the Company (the “**Board**”) to fix the remuneration of Directors.
4. To re-appoint McMillan Woods (Hong Kong) CPA Limited as the auditor and authorise the Board to fix its remuneration.
5. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT:**

- (i) the exercise by the Board during the Relevant Period (as hereinafter defined in this Resolution) of all powers of the Company to purchase issued shares of HK\$0.50 each in the capital of the Company (“**Shares**”), subject to paragraph (ii) below, be and is hereby generally and unconditionally approved;

- (ii) the total number of Shares which may be purchased by the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Code on Share Buy-backs, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities of the Stock Exchange (the “**Listing Rules**”) or of any other stock exchange as amended from time to time, pursuant to the approval in paragraph (i) above shall not exceed 10% of the number of issued share capital of the Company at the date of passing this Resolution, and the said approval shall be limited accordingly;
 - (iii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Board and shall authorise the Board on behalf of the Company during the Relevant Period (as defined below) to procure the Company to purchase its Shares, subject to and in accordance with all applicable laws and requirements of the Listing Rules or of any other stock exchange as amended from time to time, at such prices as the Board at their discretion may determine; and
 - (iv) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the Companies Act 1981 of Bermuda to be held; and
 - (c) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
6. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (i) subject to paragraph (iii) below, the exercise by the Board during the Relevant Period (as hereinafter defined in this Resolution) of all the powers of the Company to allot, issue or deal with additional shares in the share capital of the Company or securities convertible into shares, options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options, which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Board and shall authorise the Board during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of securities allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted or issued or dealt with (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined in this Resolution); (b) any share option scheme or similar arrangement of the Company for the time being adopted for the grant or issue to its eligible participants of shares or rights to acquire Shares; (c) the exercise of rights of subscription or conversion under the terms of any warrants or convertible bonds issued by the Company or any securities which are convertible into Shares; or (d) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-laws of the Company, shall not exceed 20% of the issued share capital of the Company at the date of passing this Resolution and the approval in paragraph (i) above shall be limited accordingly;
- (iv) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or the Companies Act 1981 of Bermuda to be held; and
 - (c) the revocation or variation of the approval given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Board to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

7. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** conditional upon the passing of Resolutions numbered 5 and 6 set out in the notice of annual general meeting dated 9 October 2023, the aggregate number of the securities of the Company that the Directors may allot, issue or deal with additional Shares or securities convertible into Shares, options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options under the general mandate granted to the Board pursuant to such Resolution numbered 6 be and is hereby increased by the aggregate number of Shares repurchased by the Company pursuant to and in accordance with Resolution numbered 5, provided that such amount shall not exceed 10% of the number of issued share capital of the Company at the date of passing this Resolution.”

8. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** the bye-laws of the Company be amended in the manner as set out in the Appendix III of the circular of the Company dated 9 October 2023 and the new Bye-laws in the form of the document marked “A” and produced to this annual general meeting and for the purpose of identification initialed by the chairman of this annual general meeting, which incorporates and consolidates all the proposed amendments mentioned in this circular (“**New Bye-laws**”), be approved and adopted in substitution for and to the exclusion of the existing bye-laws of the Company with immediate effect after the close of this annual general meeting and that any director or the company secretary of the Company be and is hereby authorised to do all such acts and things, sign any documents and execute such documents as a deed, where applicable, and take all other steps which any of them shall, in his/her absolute discretion, deem necessary, appropriate, desirable or expedient to give effect to the adoption of the New Bye-laws, including but not limited to, attending to any necessary registration and/or filing of the New Bye-laws and all requisite documents for and on behalf of the Company.”

9. To transact any other business of the Company.

Yours faithfully
For and on behalf of the Board
China Ecotourism Group Limited
CHAN Tan Na, Donna
Chairperson

Hong Kong, 9 October 2023

Notes:

1. A shareholder who is the holder of two or more Shares and who is entitled to attend and vote at the annual general meeting is entitled to appoint more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. In the event that a shareholder appoints more than one proxy, on a show of hands, all such proxies shall collectively have one vote unless otherwise provided for in the Bye-laws of the Company.
2. If two or more persons are joint holders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) 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 Share.
3. A form of proxy for use at the annual general meeting is enclosed. To be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or notarially certified copy thereof must be deposited at the principal place of business of the Company at Unit 1801, 18/F., Landmark South, 39 Yip Kan Street, Wong Chuk Hang, Hong Kong as soon as possible and, in any event, not less than 48 hours (i.e. 10:00 a.m. on Monday, 30 October 2023 (Hong Kong time)) before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be). Completion and deposit of the form of proxy will not preclude a shareholder from attending and voting in person at the meeting or any adjournment thereof (as the case may be).
4. For determining the entitlement to attend and vote at the annual general meeting, the register of members of the Company will be closed from Monday, 30 October 2023 to Wednesday, 1 November 2023, both dates inclusive, during which period no transfer of Shares will be registered. All property completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Friday, 27 October 2023 (Hong Kong time).