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

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

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China Treasures New Materials Group Ltd.

中寶新材集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2439)

PROPOSALS FOR

(1) GENERAL MANDATES TO ISSUE SHARES AND BUYBACK SHARES;

(2) RE-ELECTION OF RETIRING DIRECTORS;

(3) RE-APPOINTMENT OF AUDITOR;

AND

(4) NOTICE OF ANNUAL GENERAL MEETING

Capitalised terms used in the lower portion of the cover and the first page of this circular shall have the same respective meanings as those defined in the section headed “DEFINITIONS” of this circular. A notice convening the 2024 AGM to be held at No. 3, Jing’Er Road, Kalun Industrial South Region, Jiutai Economics Development Zone, Changchun City, Jilin Province, PRC on Friday, 28 June 2024 at 10:00 a.m. is set out on pages 18 to 22 of this circular. A form of proxy for use at the 2024 AGM is enclosed with this circular. Such form is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.jl-ks.cn).

Whether or not you are able to attend the 2024 AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the offices of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general 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 2024 AGM or any adjournment thereof should you so wish.

26 April 2024

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DEFINITIONS

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

“2024 AGM”	the AGM to be held at No. 3, Jing’Er Road, Kalun Industrial South Region, Jiutai Economics Development Zone, Changchun City, Jilin Province, PRC on Friday, 28 June 2024 at 10:00 a.m., or any adjournment thereof
“AGM”	the annual general meeting of the Company
“Articles of Association”	The second amended and restated articles of association of the Company adopted on 9 March 2023, as amended, supplemented or otherwise modified from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Buyback Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to buyback Shares during the relevant period not exceeding 10% of the aggregate number of the issued Shares as at the date of passing the resolution granting such mandate
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“CG Code”	The Corporate Governance Code contained in Appendix C1 to the Listing Rules
“Companies Act”	the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, modified and supplemented from time to time
“Company”	China Treasures New Materials Group Ltd. (中寶新材集團有限公司), an exempted company with limited liability incorporated in the Cayman Islands on 21 January 2022, the issued Shares of which are listed on the Main Board of the Stock Exchange on 31 March 2023 (Stock Code: 2439)
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Director(s)”	the director(s) of the Company
“ESG Committee”	the environmental, social and governance committee of the Board
“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 PRC
“Hong Kong Branch Share Registrar”	Tricor Investor Services Limited, the Company’s Hong Kong branch share registrar and transfer office
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of the Company and its connected person(s)
“INED(s)”	the independent non-executive Director(s)
“Issue Mandate”	the general and unconditional mandate proposed to be granted at the 2024 AGM to the Directors to allot, issue and deal with additional Shares during the relevant period not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the resolution granting such mandate
“Latest Practicable Date”	18 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	31 March 2023, the date on which the issued Shares were initially listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)

DEFINITIONS

“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, Macao and Taiwan
“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Share(s)”	the ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs, as amended, modified and supplemented from time to time
“Year”	the year ended 31 December 2023
“%”	per cent

LETTER FROM THE BOARD

China Treasures New Materials Group Ltd.
中寶新材集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2439)

Executive Directors:

Ms. Zhang Yuqiu (*Chair*)
Mr. Shan Yuzhu (*Chief Executive Officer*)
Mr. Li Xiquan
Mr. Li Peng

Registered office:

89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

Independent non-executive Directors:

Mr. Ng Tat Fung
Dr. Sun Shulin
Dr. Lai King Yin

*Principal Place of Business and Head Office
in the PRC*

No. 3, Jing'Er Road
Kalun Industrial South Region
Jiutai Economics Development Zone
Changchun City
Jilin Province
PRC

Principal Place of Business in Hong Kong

Room 1910, 19/F., C C Wu Building
302–308 Hennessy Road
Wan Chai
Hong Kong

Hong Kong, 26 April 2024

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) GENERAL MANDATES TO ISSUE SHARES AND BUYBACK SHARES;
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) RE-APPOINTMENT OF AUDITOR;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The Directors will propose at the 2024 AGM resolutions for, among other matters, (i) the grant of the Issue Mandate and the Buyback Mandate; (ii) the extension of the Issue Mandate to include the Shares bought-back under the Buyback Mandate; (iii) the re-election of the retiring Directors; and (iv) the re-appointment of the auditor of the Company.

LETTER FROM THE BOARD

The purpose of this circular is to give you notice of the 2024 AGM and to provide you with the information regarding the above resolutions to be proposed at the 2024 AGM to enable you to make an informed decision on whether to vote for or against those resolutions.

ISSUE MANDATE

Given that the general mandate granted to the Directors to issue Shares pursuant to the AGM held on 31 May 2023 will expire at the conclusion of the 2024 AGM, an ordinary resolution will be proposed at the 2024 AGM to grant the Issue Mandate to the Directors. Based on 1,000,000,000 Shares in issue as at the Latest Practicable Date and assuming that there will be no change in the number of issued Shares after the Latest Practicable Date and up to the date of the 2024 AGM, the Directors will be authorised to allot, issue and deal with up to a maximum of 200,000,000 Shares, being 20% of the total number of the issued Shares as at the date of the resolution in relation thereto if the Issue Mandate is granted at the 2024 AGM. The Issue Mandate will expire at the earliest of: (a) the conclusion of the next AGM unless renewed by an ordinary resolution of the Shareholders in a general meeting, either unconditionally or subject to conditions; or (b) the expiration of the period within which the Company is required by law or the Articles of Association to hold the next AGM; or (c) the revocation, variation, or renewal of this general mandate by an ordinary resolution of the Shareholders in a general meeting of the Company.

BUYBACK MANDATE

Given that the general mandate granted to the Directors to buyback Shares pursuant to the AGM held on 31 May 2023 will expire at the conclusion of the 2024 AGM, an ordinary resolution will be proposed at the 2024 AGM to grant the Buyback Mandate to the Directors. Subject to the passing of the proposed ordinary resolution approving the grant of the Buyback Mandate and based on 1,000,000,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued or no Shares will be bought-back and cancelled after the Latest Practicable Date and up to the date of the 2024 AGM, the Company will be allowed to buyback a maximum of 100,000,000 Shares, being 10% of the total number of the issued Shares as at the date of the resolution in relation thereto. The Buyback Mandate, if granted, will expire at the earliest of (a) the conclusion of the next AGM unless renewed by an ordinary resolution of the Shareholders in a general meeting, either unconditionally or subject to conditions; or (b) the expiration of the period within which the Company is required by law or the Articles of Association to hold the next AGM; or (c) the revocation, variation, or renewal of this general mandate by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement in connection with the Buyback Mandate is set out in Appendix II to this circular. The explanatory statement contains all the requisite information required under Rule 10.06(1)(b) of the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Buyback Mandate.

LETTER FROM THE BOARD

EXTENSION OF ISSUE MANDATE TO ISSUE SHARES

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Buyback Mandate, an ordinary resolution will be proposed at the 2024 AGM to authorise the increase in the total number of new Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares actually bought-back under the Buyback Mandate.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, there were four executive Directors, namely Ms. Zhang Yuqiu, Mr. Shan Yuzhu, Mr. Li Xiquan and Mr. Li Peng; and three INEDs, namely Mr. Ng Tat Fung, Dr. Sun Shulin and Dr. Lai King Yin.

Pursuant to Article 108(a) of the Articles of Association, at every AGM, one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at an AGM by rotation at least once every three years. Furthermore, pursuant to code provision B.2.2 set out in the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Accordingly, Mr. Ng Tat Fung, Dr. Sun Shulin and Dr. Lai King Yin (collectively, the “**Retiring Director(s)**”) shall retire at the 2024 AGM and, being eligible, will offer themselves for re-election at the 2024 AGM.

The Nomination Committee had assessed and reviewed each of the INEDs’ written confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that all of them remain independent. In addition, the Nomination Committee had evaluated the performance of each of the Retiring Directors during the Year or since their respective dates of appointment (as the case may be) with reference to the nomination principles and criteria set out in the board diversity policy and the nomination policy of the Company and found their performance satisfactory. The Nomination Committee also considered that experience, skills and other perspectives of Mr. Ng Tat Fung, Dr. Sun Shulin and Dr. Lai King Yin, being the INEDs of the Company as set out in Appendix I to this circular can bring further contributions to the Board and its diversity. Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all of the Retiring Directors stand for re-election as Directors at the 2024 AGM. As a good corporate governance practice, each of the Retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their re-recommendations for re-election by the Shareholders at the 2024 AGM. The Board believes that the continuous appointment of the Retiring Directors contributes to the stability and diversity of the Board.

The biographical details of each of the Retiring Directors to be re-elected at the 2024 AGM are set out in Appendix I to this circular in accordance with the relevant requirements under the Listing Rules.

LETTER FROM THE BOARD

RE-APPOINTMENT OF AUDITOR

Mazars CPA Limited, *Certified Public Accountants* will retire as the independent auditors of the Company at the 2024 AGM and, being eligible, offer themselves for re-appointment. The Board (which agreed with the view of the Audit Committee) recommended that, subject to the approval of the Shareholders at the 2024 AGM, Mazars CPA Limited, *Certified Public Accountants* be re-appointed as the independent auditor for the year ending 31 December 2024. Details of the re-appointment of independent auditor are set out in the resolution numbered 4 set out in the notice of the 2024 AGM.

2024 AGM AND PROXY ARRANGEMENT

The notice of the 2024 AGM is set out on pages 18 to 22 of this circular.

A form of proxy for use at the 2024 AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jl-ks.cn). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the 2024 AGM (i.e. not later than 10:00 a.m., on Wednesday, 26 June 2024 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the 2024 AGM if you so wish.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules and article 72 of the Articles of Association, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, 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. Therefore, all resolutions as set out in the notice convening the 2024 AGM will be voted by poll and, after being verified by the scrutineer, the results of the poll will be published in the manner prescribed under Rule 13.39(5) of the Listing Rules.

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.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that (i) the grant of the Issue Mandate and the Buyback Mandate, (ii) the extension of the Issue Mandate to include Shares bought-back under the Buyback Mandate, (iii) the re-election of the Retiring Directors, and (iv) the re-appointment of the auditor of the Company as set out in the notice of the 2024 AGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the relevant resolutions to be proposed at the 2024 AGM as set out in the notice of the 2024 AGM on pages 18 to 22 of this circular.

GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board
China Treasures New Materials Group Ltd.
Zhang Yuqiu
Chair and Executive Director

APPENDIX I BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

The following are the biographical details of the Directors who will retire as required by the Articles of Association and the Listing Rules and are proposed to be re-elected at the 2024 AGM.

Save as disclosed below, there is no other matter concerning the re-election of each of the following Directors that needs to be brought to the attention of the Shareholders, nor is there other information that is required to be disclosed pursuant to the requirements of the Listing Rules.

Mr. Ng Tat Fung (吳達峰) (“Mr. Ng”), aged 41, was appointed as our independent non-executive Director on 9 March 2023. Mr. Ng is responsible for providing independent advice on the business strategies, operations and management of our Board. He is also the chairman of the Audit Committee.

Mr. Ng has almost 15 years of experience in the accounting and finance industry. From September 2007 to September 2008, he worked as an auditor at W.H. Tse & Company, a CPA firm in Hong Kong. From September 2008 to April 2010, he worked as an auditor at K.P. Cheng & Co., a CPA firm in Hong Kong. From July 2010 to December 2011, he became an audit senior of K.P. Cheng & Co.. From January 2012 to November 2013, he worked as an audit senior at Mazars CPA Limited, a CPA firm in Hong Kong with a focus on providing audit, accountancy, advisory, tax and legal services. Since October 2013, he has been a director of NGP Business Advisory Limited (怡峰商業顧問有限公司) (formerly known as Lloyds Chartered Company Limited), a company principally engaged in the provision of business consulting services. In March 2017, Mr. Ng founded Ng & Partners CPA Limited (怡峰會計師事務所有限公司), a CPA firm in Hong Kong, and has been its director since then. Mr. Ng served as an independent non-executive director of Haina Intelligent Equipment International Holdings Limited (海納智慧裝備國際控股有限公司) (stock code: 1645), a company listed on the Stock Exchange, a manufacturer engaging in the design and production of automated machines for manufacturing disposable hygiene products, including baby diapers, adult diapers and lady sanitary napkins in the PRC, from 4 May 2020 to 25 May 2023.

Mr. Ng obtained his bachelor’s degree in finance, accounting and management from the University of Nottingham in the United Kingdom in July 2007. Mr. Ng has been a member of the Hong Kong Institute of Certified Public Accountants since March 2016, and is currently a member of The Institute of Chartered Accountants in England and Wales and The Society of Chinese Accountants & Auditors.

Mr. Ng has entered into a letter of appointment with the Company for an initial fixed term of one year commencing from the Listing Date and will be renewed for a new fixed term of one year thereafter until terminated by not less than one month’s notice in writing served by Mr. Ng or the notice in writing with immediate effect served by the Company. Mr. Ng is entitled to a basic annual remuneration (excluding payment pursuant to any discretionary benefit or bonus or other fringe benefits) of HK\$120,000, which was determined by the Board by reference to his responsibilities and duties within the Company and may be adjusted upon the recommendation of the Remuneration Committee.

There is no information which is discloseable nor is/was Mr. Ng involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Ng that need to be brought to the attention of the Shareholders.

APPENDIX I BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Dr. Sun Shulin (孫樹林) (“Dr. Sun”), aged 47, was appointed as our independent non-executive Director on 9 March 2023. Dr. Sun is responsible for providing independent advice on business strategies, operation and management of our Board. He is also the chairman of each of the Remuneration Committee and the ESG Committee, and a member of each of the Audit Committee and Nomination Committee.

After Dr. Sun’s graduation from Changchun Institute of Applied Chemistry Chinese Academy of Sciences (中國科學院長春應用化學研究所) in March 2006, he has since worked in Changchun University of Technology (長春工業大學) and is currently a professor and a mentor to doctor students of Changchun University of Technology. Dr. Sun is also the vice-dean of National & Local United Engineering Laboratory for Polymer Material Synthetic Technology (高分子材料合成技術國家地方聯合工程實驗室). He also works as a part-time technology consultant of China Petroleum Jihua Group Co., Ltd.* (中國石油吉化集團公司), a comprehensive petrochemical production company.

He is a commentator of National Natural Science Fund Project (國家自然科學基金專案). In 2012, he was awarded the honorary titles of Jilin Top Innovative Talents (吉林省拔尖創新人才). In 2013, he was awarded the honorary title of Jilin Discipline Leading Professor (吉林省學科領軍教授). He has published 25 scientific papers in journals such as the Chemical Engineering Journal and ACS Sustainable Chemistry & Engineering Journal. Dr. Sun won Second Class Prize for Jilin Provincial Science and Technology (吉林省科學技術二等獎) in December 2010 and Second Class Prize for Jilin Provincial Natural Science Academic Achievement (吉林省自然科學學術成果二等獎) in November 2012. He is also the owner of five invention patents relating to biomaterial.

Dr. Sun obtained his bachelor and master’s degrees in polymer material and engineering (高分子材料與工程) and chemical engineering (化學工程) from Changchun University of Technology in the PRC in July 1999 and April 2002, respectively. Dr. Sun obtained a doctorate degree of science from Changchun Institute of Applied Chemistry Chinese Academy of Sciences in the PRC in March 2006.

Dr. Sun has entered into a letter of appointment with the Company for an initial fixed term of one year commencing from the Listing Date and will be renewed for a new fixed term of one year thereafter until terminated by not less than one month’s notice in writing served by Dr. Sun or the notice in writing with immediate effect served by the Company. Dr. Sun is entitled to a basic annual remuneration (excluding payment pursuant to any discretionary benefit or bonus or other fringe benefits) of HK\$120,000, which was determined by the Board by reference to his responsibilities and duties within the Company and may be adjusted upon the recommendation of the Remuneration Committee.

There is no information which is discloseable nor is/was Dr. Sun involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Dr. Sun that need to be brought to the attention of the Shareholders.

**APPENDIX I BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS
PROPOSED FOR RE-ELECTION**

Dr. Lai King Yin (賴景然) (“Dr. Lai”), aged 41, was appointed as our independent non-executive Director on 9 March 2023. Dr. Lai is responsible for providing independent advice on the business strategies, operations and management of our Board. He is also the chairman of the Nomination Committee, and a member of each of the Audit Committee, Remuneration Committee and the ESG Committee.

Dr. Lai has more than 16 years of research experience and more than six years corporate management experience. In June 2014, Dr. Lai co-founded Novus Life Sciences Limited (薪創生命科技有限公司) (“**Novus**”), a graduated company of the Incu-Bio Programme of Hong Kong Science and Technology Parks Corporation, which is primarily engaged in the R&D and production of biomaterials for use in orthopaedics. Since February 2015, Dr. Lai has served as an executive director of Novus responsible for management of daily operation of Novus. He also took a leading role in establishing a French branch office of Novus in France in 2017. Dr. Lai was trained as a researcher in the State Key Laboratory of Emerging Infectious Diseases, The University of Hong Kong (“**HKU**”), a laboratory established by the Ministry of Science and Technology of the PRC in recognition of the outstanding contribution made by HKU scientists in response to the Severe Acute Respiratory Syndrome outbreak during 2003/2004.

In October 2021, Dr. Lai joined HKU School of Professional and Continuing Education and has since served as a part-time lecturer for the bachelor’s degree course in Pharmaceutical Science. In 2021, Dr. Lai founded Research Institute for Technology Application Limited, a company principally engaged in providing consulting service in technology application and business strategy, assisting enterprises in researching innovation and technology demands and upgrading and transformation strategies under the support of the Government of the HKSAR and the Angel Investment Foundation, and has since served as a director.

Dr. Lai obtained a Bachelor of Science degree with a major in animal and plant biotechnology, a Master of Medical Sciences, a Master of Philosophy degree in Microbiology and a Doctor of Philosophy degree in Surgery from HKU, in December 2005, December 2006, November 2010 and in November 2015, respectively. Dr. Lai was awarded the French Tech Ticket and granted a “Passport Talent” in 2017 by the French Government. From 2009 to 2018, Dr. Lai published more than ten research journal articles and was invited to write for a book chapter in biomedicine area. Dr. Lai is also an inventor of three patents relating to biotechnology application area.

Dr. Lai was previously a director of the following companies at the time of their respective dissolutions:

<u>Name of Company</u>	<u>Place of incorporation</u>	<u>Nature of business</u>	<u>Date of dissolution</u>	<u>Status</u>	<u>Reasons of dissolution</u>
Novus Medical Limited	Hong Kong	Research and development of biomaterials	27 March 2020	Deregistration	Cessation of business
Aeva Life Sciences Limited	Hong Kong	Development of medical device	15 December 2017	Deregistration	Cessation of business

**APPENDIX I BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS
PROPOSED FOR RE-ELECTION**

Dr. Lai confirmed that (i) to the best of his knowledge, information and belief after making reasonable enquiries, each of the above companies was solvent immediately prior to its dissolution; (ii) there is no wrongful act on his part leading to the dissolutions of each of the above companies; (iii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the dissolutions of each of the above companies; and (iv) no misconduct or misfeasance had been involved on his part in the dissolution of each of the above companies.

Dr. Lai has entered into a letter of appointment with the Company for an initial fixed term of one year commencing from the Listing Date and will be renewed for a new fixed term of one year thereafter until terminated by not less than one month's notice in writing served by Dr. Lai or the notice in writing with immediate effect served by the Company. Dr. Lai is entitled to a basic annual remuneration (excluding payment pursuant to any discretionary benefit or bonus or other fringe benefits) of HK\$120,000, which was determined by the Board by reference to his responsibilities and duties within the Company and may be adjusted upon the recommendation of the Remuneration Committee.

There is no information which is discloseable nor is/was Dr. Lai involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Dr. Lai that need to be brought to the attention of the Shareholders.

Each of Mr. Ng, Dr. Sun and Dr. Lai has confirmed his independence pursuant to Rule 3.13 of the Listing Rules respectively.

Save as disclosed above, each of the Retiring Directors confirms with respect to him that as at the Latest Practicable Date: he (i) had not held any directorship in the last three years in any public company, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not hold other positions in the Company or other members of the Group; (iii) did not have any relationship with any Directors, senior management, substantial shareholder or controlling shareholder of the Company; and (iv) did not have any interests in the Shares within the meaning of Part XV of the SFO, which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in connection with the re-election of the Retiring Directors.

This appendix serves as an explanatory statement, as required by Rule 10.06(1)(b) of the Listing Rules, to provide the requisite information to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to be proposed at the 2024 AGM for approving the Buyback Mandate.

The Listing Rules permit companies whose primary listing is on the Stock Exchange to buyback their fully-paid shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

1. SHAREHOLDERS' APPROVAL

All proposed share buyback on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders, either by way of a general mandate or by a specific approval.

2. BUYBACK OF SECURITIES FROM CORE CONNECTED PERSONS

Under the Listing Rules, the Company is prohibited from knowingly purchasing Shares on the Stock Exchange from a core connected person.

As at the Latest Practicable Date, no core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company or has undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Buyback Mandate is approved by the Shareholders.

3. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 1,000,000,000 issued Shares in one class. Subject to the passing of the proposed ordinary resolution for the approval of the Buyback Mandate and assuming that there is no change in the number of the issued Shares after the Latest Practicable Date and up to the date of the 2024 AGM of passing such resolution, the Directors will be authorised to buyback up to a maximum of 100,000,000 Shares, representing 10% of the total number of issued Shares as at the date of passing the relevant resolution. The Buyback Mandate will expire at the earliest of (a) the conclusion of the next AGM unless renewed by an ordinary resolution of the Shareholders in a general meeting, either unconditionally or subject to conditions; or (b) the expiration of the period within which the Company is required by law or the Articles of Association to hold the next AGM; or (c) the revocation, variation, or renewal of this general mandate by an ordinary resolution of the Shareholders in a general meeting of the Company.

4. REASONS FOR BUYBACK

The Directors presently have no intention to buyback any Shares but consider that the Buyback Mandate will provide the Company with the flexibility to make such buyback when appropriate and beneficial to the Company. An exercise of the Buyback Mandate may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that a buyback will benefit the Company and the Shareholders as a whole. The number of the Shares to be bought-back on any occasion and the price and other terms on which the same are bought-back will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining, subject to the restrictions under the Listing Rules.

5. FUNDING OF BUYBACK

In buying-back securities, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the Cayman Islands and/or other applicable laws.

The Company may not buyback its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange in effect from time to time.

Subject to the foregoing, any buyback of the Shares by the Company may be made out of profits of the Company, out of share premium, or out of the proceeds of a fresh issue of the Shares made for the purpose of the buyback or, subject to the Companies Act, out of capital. Any amount of premium payable on the purchase over the par value of the Shares to be bought-back must be out of profits of the Company, out of the Company's share premium account before or at the time the Shares are bought-back, or subject to the Companies Act, out of capital.

6. IMPACT ON WORKING CAPITAL OR GEARING POSITION

The Directors consider that an exercise of the Buyback Mandate in full could have a material adverse impact on the working capital or gearing position of the Company when compared with that as at 31 December 2023, being the date of its latest published audited consolidated financial statements. However, the Directors do not propose to exercise the Buyback Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing position of the Company, which in the opinion of the Directors is from time to time appropriate for the Company.

7. SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

Month	Traded price per Share (HK\$)	
	Highest	Lowest
2023		
April	0.830	0.570
May	0.950	0.590
June	1.650	0.495
July	0.610	0.450
August	0.610	0.430
September	1.320	0.465
October	1.380	0.920
November	2.250	0.580
December	2.360	1.830
2024		
January	2.930	0.295
February	0.930	0.265
March	0.900	0.350
April (up to and the Latest Practicable Date)	0.400	0.285

8. DIRECTORS AND THEIR CLOSE ASSOCIATES

None of the Directors nor to the best of their knowledge having made all reasonable enquiries, their close associates, has any present intention to sell to the Company any of the Shares in the event that the proposed resolution for the Buyback Mandate is approved at the 2024 AGM.

9. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that so far as the same may be applicable, they will exercise the powers of the Company to buyback Shares pursuant to the Buyback Mandate in accordance with the Listing Rules, the Cayman Islands and/or other applicable laws and regulations. The Directors will not exercise the Buyback Mandate if the buyback would result in the number of the Shares which are in the hands of the public falling below 25% of the total number of the Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules).

10. EFFECT OF TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Company exercising its powers to buyback Shares pursuant to the Buyback Mandate, such an increase will be treated as an acquisition of voting rights for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the following Shareholders were interested in 5% or more of the number of issued Shares:

Name of Shareholder	Capacity/Nature of Interest	Number of Shares held ⁽¹⁾	Approximate percentage of the Company's issued share capital ⁽¹⁾ (%)	Approximate percentage of total number of Shares (assuming the Buyback Mandate is exercised in full) ⁽¹⁾ (%)
Ms. Zhang ⁽²⁾	Interest in a controlled corporation	321,080,700 (L)	32.11 (L)	35.68 (L)
Mr. Shan ⁽³⁾	Interest in controlled corporations	190,822,340 (L)	19.08 (L)	21.20 (L)
Lvsetianye Technology ⁽²⁾	Beneficial owner	321,080,700 (L)	32.11 (L)	35.68 (L)
Lvsesenlin Technology ⁽³⁾	Beneficial owner	91,022,880 (L)	9.10 (L)	10.11 (L)
	Interest in controlled corporations	99,799,460 (L)	9.98 (L)	11.19 (L)
Daziran Technology ⁽³⁾	Beneficial owner	92,599,460 (L)	9.26 (L)	10.29 (L)
CPEP Holdings ⁽³⁾	Beneficial owner	7,200,000 (L)	0.72 (L)	0.8 (L)

Notes:

- (1) The Letter “L” demonstrates long position.
- (2) Lvsetianye Technology held approximately 32.11% of the issued share capital of the Company. Lvsetianye Technology is wholly owned by Ms. Zhang Yuqiu (“**Ms. Zhang**”), the executive Director of the Company. Ms. Zhang is therefore deemed to be interested in the Shares that Lvsetianye Technology is interested in.
- (3) Lvsesenlin Technology, Daziran Technology and CPEP Holdings held approximately 9.10%, 9.26% and 0.72% of the issued share capital of the Company, respectively. Each of Daziran Technology and CPEP Holdings is wholly owned by Lvsesenlin Technology, which is in turn wholly owned by Mr. Shan Yuzhu (“**Mr. Shan**”), the executive Director of the Company. Mr. Shan is therefore deemed to be interested in the Shares that each of Lvsesenlin Technology, Daziran Technology and CPEP Holdings is interested in.

On the basis that the number of issued Shares remain the same and save as aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any buyback pursuant to the Buyback Mandate. The Directors do not intend to exercise the Buyback Mandate to an extent which would, in the circumstances, trigger any potential consequences under the Takeovers Code.

11. SHARE BUYBACK MADE BY THE COMPANY

No buyback of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING

China Treasures New Materials Group Ltd. 中寶新材集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2439)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the shareholders of China Treasures New Materials Group Ltd. (the “**Company**” and the “**2024 AGM**”, respectively) will be held at No. 3, Jing’Er Road, Kalun Industrial South Region, Jiutai Economics Development Zone, Changchun City, Jilin Province, PRC on Friday, 28 June 2024 at 10:00 a.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2023 and the respective reports of the Company’s directors (the “**Director(s)**”) and independent auditor;
2.
 - (i) To re-elect Mr. Ng Tat Fung as an independent non-executive Director;
 - (ii) To re-elect Dr. Sun Shulin as an independent non-executive Director; and
 - (iii) To re-elect Dr. Lai King Yin as an independent non-executive Director;
3. To authorise the board of Directors of the Company (the “**Board**”) to fix the remuneration of the Directors for the year ending 31 December 2024 (“**FY2024**”);
4. To re-appoint Mazars CPA Limited, *Certified Public Accountants* as the independent auditor of the Company’s financial statements for FY2024 and authorise the Board to fix their remuneration;
5. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company (the “**Shares**”) or securities convertible into Shares, or options or securities for similar rights to subscribe for any Shares and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “**Articles of Association**”) in force from time to time, shall not exceed the aggregate of 20% of the total number of the Shares in issue as at the date of the passing of this resolution and such approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company (the “**AGM**”);
- (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or any other applicable laws; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of an ordinary resolution by the shareholders of the Company in general meeting;

“**Rights Issue**” means an offer of Shares, or offer or issue of options or other securities giving the rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of 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).”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to buyback the shares of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Commission**”) and the Stock Exchange under The Codes on Takeovers and Mergers and Share Buy-backs issued by the Commission be and is hereby generally and unconditionally approved;
- (b) the total number of the Shares which may be bought-back by the Company pursuant to the approval in paragraph (a) of this resolution above during the Relevant Period (as defined below) shall not exceed 10% of the total number of the issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) above of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company (the “**AGM**”);
- (ii) the expiration of the period within which the next AGM is required to be held by the articles of association of the Company or any other applicable laws; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of an ordinary resolution by the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** conditional upon the passing of resolutions numbered 5 and 6 set out in the notice convening the annual general meeting of the Company (the “**Notice**”), the authority granted to the directors of the Company pursuant to resolution numbered 5 set out in the Notice be and is hereby extended by the addition thereto of an amount representing the total number of the shares of the Company (the “**Shares**”) bought-back pursuant to the authority granted pursuant to Resolution numbered 6 set out in the Notice, provided that such amount shall not exceed 10% of the total number of the issued Shares as at the date of passing this Resolution.”

Yours faithfully,
For and on behalf of the Board
China Treasures New Materials Group Ltd.
Zhang Yuqiu
Chair and Executive Director

Hong Kong, 26 April 2024

Registered office:

89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

*Principal Place of Business and Head Office
in the PRC*

No. 3, Jing’Er Road
Kalun Industrial South Region
Jiutai Economics Development Zone
Changchun City
Jilin Province
PRC

Principal Place of Business in Hong Kong

Room 1910, 19/F., C C Wu Building
302–308 Hennessy Road
Wan Chai
Hong Kong

Notes:

1. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the 2024 AGM. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.

NOTICE OF ANNUAL GENERAL MEETING

3. The register of members of the Company will be closed from Tuesday, 25 June 2024 to Friday, 28 June 2024 (both days inclusive), during which period no transfer of shares in the Company will be effected. In order to qualify for attending the 2024 AGM, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday 24 June 2024.
4. In relation to the proposed resolution numbered 2 above, Mr. Ng Tat Fung, Dr. Sun Shulin and Dr. Lai King Yin will retire as Directors at the 2024 AGM and, being eligible, offer themselves for re-election. Details of the above Directors are set out in Appendix I to the Company's circular dated 26 April 2024.
5. In relation to the proposed resolution numbered 4 above, the Board concurs with the views of the audit committee of the Board and has recommended that Mazars CPA Limited, *Certified Public Accountants* be re-appointed as the independent auditor.
6. In relation to the proposed resolution numbered 5 above, approval is being sought from the Members for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The Directors have no immediate plans to issue any new Shares.
7. In relation to the proposed resolution numbered 6 above, the Directors wish to state that currently, they have no present intention to buyback any Shares and will exercise the powers conferred thereby to buyback Shares only in the circumstances which they consider appropriate for the benefit of the Company and the Members as a whole. An explanatory statement containing the information necessary to enable the Members to make an informed decision to vote for or against the proposed resolution as required by the Listing Rules is set out in Appendix II to the Company's circular dated 26 April 2024.
8. In compliance with Rule 13.39(4) of the Listing Rules, voting on all proposed resolutions set out in this notice will be decided by way of a poll except where the chairman of the 2024 AGM, 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.
9. Where there are joint holders of any Share, any one of such joint holders may vote at the 2024 AGM, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the 2024 AGM, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. 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.
10. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

As at the date of this notice, the Board comprises Ms. Zhang Yuqiu, Mr. Shan Yuzhu, Mr. Li Xiquan and Mr. Li Peng as the executive Directors; and Mr. Ng Tat Fung, Dr. Sun Shulin and Dr. Lai King Yin as the independent non-executive Directors.