

Notice of 2019 Annual General Meeting

NOTICE is hereby given that the 2019 Annual General Meeting of Retech Technology Co., Ltd, ARBN 615 153 332, Hong Kong Company Number 2374379 (**Company**) will be held at 12:00 noon (Sydney, Australia time) / 10:00am (Hong Kong time), on Thursday, 13 June 2019, at 298 Nanxu Road, Zhenjiang, Jiangsu Province, China.

If you are unable to attend the meeting, we encourage you to complete and return the enclosed CDI Voting Instruction Form. The completed CDI Voting Instruction Form needs to be received at the address shown on the form no less than 72 hours before the time fixed for the Annual General Meeting or an adjournment thereof, being no later than 12:00 noon (Sydney, Australia time) / 10:00am (Hong Kong time), on Monday, 10 June 2019.

BUSINESS

1. 2018 Financial Statements

To receive and consider the financial statements, the reports of the Directors and Auditors and other documents required to be annexed to the financial statements for the period ended 31 December 2018 and as lodged with Australian Securities Exchange (**ASX**).

No resolution is required by law in respect of this agenda item. However, shareholders will be provided with the opportunity to ask the Directors any questions in relation to the financial statements.

2. Resolution 1: Remuneration of Directors

That the following resolution be approved as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 10.17 and for the purposes of Article 26.2 of the Articles of Association, the annual remuneration for non-executive Directors be fixed at the total aggregate amount of RMB 1,450,000 (approximately A\$290,000) for the year ending 31 December 2019.

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a Director of the Company and their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Associate has the meaning given to it by Division 2 of Part 1.2 of the *Corporations Act 2001* (Cth).

3. Resolution 2: Election of Director – Mr. Kang Li

That the following resolution be approved as an **ordinary resolution**:

"That Mr Kang Li (Non-Executive Director) retires as a Director in accordance with Articles 21(d) and 23 of the Company's Articles of Association and ASX Listing Rule 14.4 and, being eligible, is re-elected as a Director of the Company."

4. Resolution 3: Election of Director – Mr. Guo Li

That the following resolution be approved as an **ordinary resolution**:

"That Mr Guo Li (Non-Executive Director) retires as a Director in accordance with Articles 21(d) and 23 of the Company's Articles of Association and ASX Listing Rule 14.4 and, being eligible, is re-elected as a Director of the Company."

5. Resolution 4: Re-appointment of Auditors

That the following resolution be approved as an **ordinary resolution**:

"That Grant Thornton Hong Kong Limited, being auditors of the Company are re-appointed auditors and that the Directors be authorised to fix their remuneration."

6. Resolution 5: Adoption of Retech Employee Incentive Plan

That the following resolution be approved as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.2 and for all other purposes, approval be given for the Company to adopt the Retech Employee Incentive Plan as described in the Explanatory Statement"

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 5 by any Director (other than any Directors who are ineligible to participate in any employee incentive plan of the Company) and their associates. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Associate has the meaning given to it by Division 2 of Part 1.2 of the *Corporations Act 2001* (Cth).

7. Resolution 6: General mandate to issue and allot new shares

That the following resolution be approved as an **ordinary resolution**:

"That, subject to any restriction in the ASX Listing Rules in relation to issuing new capital (including ASX Listing Rules 7.1, 10.11 and 10.14), the Corporations Act 2001 (Cth), pursuant to Section 141 of the Companies Ordinance, Hong Kong, Cap 622, a general mandate be given to Directors to exercise any power of the Company to allot or issue, grant options over, offer or otherwise deal with or dispose of shares in the Company on and subject to such terms as the Directors may determine including to allot or issue further shares and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require shares to be allotted to persons other than existing members of the Company, or to members of the Company otherwise than in proportion to their existing shareholdings in the Company provided that the authority shall, unless earlier revoked or varied by members of the Company in general meeting expire on the earlier of (a) the conclusion of the next annual general meeting of the Company or (b) the expiration of the period within which the next annual general meeting of the Company is required in accordance with the Articles of Association of the Company, or any applicable law, to be held."

8. Resolution 7: General mandate to pay a dividend

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

"That, for the purposes of Articles of Association of the Company and compliance with Companies Ordinance, Hong Kong, Cap 622 and for all other purposes, a general mandate be given for the Company to pay a dividend as described in the Explanatory Statement"

NOTES

(i) Voting entitlements

The Directors have determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the Annual General Meeting, and CDI holding of CDI holders will be taken to be held by the persons who are registered as members at 7:00 pm (Sydney, Australia time) 5:00 pm (Hong Kong Time) on Tuesday, 11 June 2019. Accordingly transfers registered after that time will be disregarded in determining members entitled to attend and vote at the Annual General Meeting.

(ii) Proxy voting by holder of ordinary shares

Shareholders who are unable to attend the Annual General Meeting are requested to complete, sign, date and return the proxy. A proxy will not be valid unless it is deposited by mail or by fax at the office of the Company, at Room 1309, 13/F, Prince's Building, 10 Chater Road, Central, Hong Kong by no later than 12:00 noon (Sydney, Australia time) / 10:00am (Hong Kong time) on Tuesday, 11 June 2019.

(iii) Proxy voting by holder of CDIs

Holders of CDIs are invited to attend the meeting. CDI holders may complete, sign and return the enclosed CDI Voting Instruction Form to Computershare Investor Services Pty Limited, at GPO Box 242, Melbourne, Victoria, 3001 Australia (free fax number within Australia: 1800 783 447 or outside Australia: +61 3 9473 2555) in order to direct CHESS Depository Nominees Pty Ltd. (CDN) to vote the relevant underlying Ordinary Shares on his or her behalf, or may instruct CDN to appoint such CDI holder or his or her nominee as proxy to vote the Ordinary Shares underlying the CDIs in person at the meeting. In either case, the CDI Voting Instruction Form needs to be received at the address shown on the form before the time fixed for the Annual General Meeting or an adjournment thereof, being no later than 12:00 noon (Sydney, Australia time) / 10:00am (Hong Kong time) on Monday, 10 June 2019.

Dated 23 May 2019

By order of the Board

Ai Shungang

Chairman

Explanatory Statement

This explanatory statement accompanies the 2019 Annual General Meeting of Retech Technology Co., Ltd ARBN 615 153 332 (**Company**) to be held at 12:00 noon (Sydney, Australia time) / 10:00am (Hong Kong time), on Thursday, 13 June 2019 at 298 Nanxu Road, Zhenjiang, Jiangsu Province, China.

Item 1: 2018 Financial Statements

This item gives shareholders an opportunity to ask questions with respect to the financial statements, the reports of the Directors and Auditors and other documents required to be annexed to the financial statements for the period ended 31 December 2018 (**Statements and Reports**).

The Statements and Reports have been filed on the ASX electronic filing system for Market Announcements, and are available on the Company website www.retech-rte.com.

Resolution 1: Remuneration of Directors

Article 26.2 of the Company's Articles of Association entitles the Company to fix the aggregate remuneration for non-executive Directors for the following year.

Australian Securities Exchange (**ASX**) Listing Rule 10.17 provides that an entity must not increase the total amount of Director's fees payable by it or any of its controlled entities without the approval of holders of its ordinary securities. The rule does not apply to the salary of an executive Director.

Item 1 seeks approval from the shareholders for the setting of the remuneration payable to non-executive Directors for a maximum aggregate amount of *RMB1,450,000 (approximately A\$290,000)* per annum for the year ended 31 December 2019.

This is the same amount that was agreed by the Directors of the Company before the Company was admitted to the official list of the ASX.

No CDIs have been issued to a non-executive Director under ASX Listing Rules 10.11 or 10.14 since the Company was admitted to the official list of the ASX.

Resolution 2 and 3: Election of Directors

Clause 21(d) of the Articles of Association requires a Director appointed under article 21(a)(ii) (i.e. by decision of the Directors) to retire from office at the next annual general meeting following the appointment.

ASX Listing Rule 14.4 provides that a Director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Clause 23 of the Articles of Association provides that a retiring Director is eligible for reappointment to the office.

The resumes of those Directors standing for election at this annual general meeting are as follows:

Name and Role	Experience and Special Responsibilities
Mr. Kang Li Non-Executive Director	Mr Kang Li is an experienced executive, having spent years as the CEO of Montgomery International Consultants, engaged in immigration, overseas study and investment consulting services in Australia for 16 years. An Australian resident, Mr Li graduated from La Trobe University in Melbourne with a graduate diploma in Information Technology. He brings extensive management and commercial expertise in the local market and he will be responsible for building Retech's position throughout Australia. He has a background in successfully developing



	businesses in new markets and his skills and expertise will help the Company to identify and evaluate potential new opportunities in new markets.
Mr. Guo Li Non-Executive Director	<p>Mr Guo Li is currently in charge of the Asset Management Department of Huarong Investment Stock Corporation Limited (“Huarong”). Before joining Huarong, he accumulated over five years’ experience in cross-border M&A, asset restructuring and cross-border financing in Hong Kong.</p> <p>Mr Li also served ABC International Co.,Ltd (China) and participated in the establishment of a RMB 5 billion equity investment fund as well as successfully achieving a number of projects, including equity investment, mezzanine financing and cross-border M&A financing.</p> <p>Mr Li possesses the qualification of Certified Alternative Investment Analyst (“CAIA”). He graduated from Renmin University of China with a degree of Master in Economics, and degree of Bachelor in Economics and in Mathematics.</p>

Resolution 4: Appointment of Auditor

Approval under the Articles of Association of the Company is required for the re-appointment of Grant Thornton Hong Kong Limited as the auditor of the Company.

Resolution 5: Adoption of the Retech Incentive Plan

The resolution

The Board is seeking approval to introduce an equity plan, referred to as the Retech Incentive Plan. The Retech Incentive Plan will allow the Board to issue incentive awards in the form of CHESS Depository Interests (**CDIs**) and options over CDIs with the purpose of providing competitive, performance based remuneration in alignment with the interests of CDI holders.

The regulatory requirements

ASX Listing Rule 7.1 provides that, subject to certain exceptions, the Company may only issue equity securities (which includes CDIs and options over CDIs) up to 15% of the number of Shares on issue as at the date that is 12 months prior to the issue of the equity securities without Shareholder approval.

ASX Listing Rule 7.2, exception 9 provides that ASX Listing Rule 7.1 does not apply to the issue of equity securities by the Company under an employee incentive scheme, if the employee incentive scheme was established before the entity listed and a summary of the terms were included in the prospectus, or if the employee incentive scheme has been approved by security holders within three years from the date of issue of the relevant securities.

The Company is seeking approval for future issues of equity securities under the Retech Incentive Plan to be exempt from the 15% capacity under ASX Listing Rule 7.1 in accordance with ASX Listing Rule 7.2, exception 9.

As at the date of this Notice of Meeting, no awards have been made under the Retech Incentive Plan.

Summary of the Retech Incentive Plan

The key terms of the Retech Incentive Plan are as follows:

Eligibility	<p>Under the Retech Incentive Plan, eligible employees and officers or consultants of Retech (Eligible Participant) may be offered the following awards:</p> <ul style="list-style-type: none"> • CDIs; or
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	<ul style="list-style-type: none"> Options over CDIs. <p>(Award)</p> <p>Participation in the Retech Incentive Plan is at the Board’s discretion and no individual has a contractual right to participate in it or to receive any guaranteed benefits.</p>
The Offer	<p>The Board may make an offer (Offer) to any Eligible Participant to participate in the Retech Incentive Plan.</p> <p>The Offer will include the following terms of issue of the relevant Award:</p> <ul style="list-style-type: none"> the name and address of the Eligible Participant to whom the offer is made; the type and total number of Awards for which the Eligible Participant may accept (i.e. CDIs or Options); the date of the Offer; with respect to an offer of Options: <ul style="list-style-type: none"> any payment required to be made for the grant of the Award (note, this only applies to Options); any Exercise Period (including the Vesting Date and the Expiry Date); any Exercise Price; any Vesting Date; any Vesting Conditions; any Disposal Restrictions; any other terms of the Awards; and any matters required to be specified by the Companies Ordinance, the <i>Corporations Act 2001</i> (Cth) (Corporations Act) or ASX Listing Rules.
Restriction on transfer	<p><u>Options</u></p> <p>Options are non-transferable other than with the prior written consent of the Board.</p> <p><u>CDIs</u></p> <p>CDIs, following their issue, are non-transferable where they have been issued subject to a disposal restriction.</p>
Issue of CDIs	<p>An award of CDIs will be granted to the Eligible Participant by way of a free grant whereby the Eligible Participant will be entitled to receive an allocation of CDIs (equal to the amount set out in the Offer rounded down to the nearest whole number of CDIs) specified in the Offer for no consideration.</p>
Exercise of Options	<p>Options may only be exercised:</p> <ul style="list-style-type: none"> provided any acquisition of CDIs does not breach the Hong Kong Companies Ordinance, the Corporations Act or the ASX Listing Rules; provided any Vesting Conditions have been satisfied; during the Exercise Period; for payment of the Exercise Price; and otherwise in the manner required by the Board and specified in the Offer.
Retech Incentive Plan Limit	<p>The Board must not grant Awards if the number of Shares (including underlying any CDIs) which have been or would be issued in any of the following circumstances in aggregate would exceed 5% of the total number of Shares on issue at the date of the Offer:</p> <ul style="list-style-type: none"> the number of Shares (including underlying any CDIs) that may be issued as a result of the Awards granted under the Retech Incentive Plan (including on exercise of any Options); and the number of Shares (including underlying any CDIs and including on exercise of any Options) which were or may be issued as a result of offers made at any time during the previous 3 year period: <ul style="list-style-type: none"> under any other Company employee incentive scheme covered by Class



	<p>Order 14/1000; and</p> <ul style="list-style-type: none"> ○ an ASIC exempt arrangement of a similar kind to an employee incentive scheme as defined in Class Order 14/1000, <p>but disregarding any Offer made, or Awards granted, or Share (including underlying any CDIs) issued (including on exercise of any Options) by way of or as a result of:</p> <ul style="list-style-type: none"> • an Offer to a person situated at the time of receipt of the Offer outside of Australia; • in respect to an Offer in Australia: <ul style="list-style-type: none"> ○ a disclosure document or product disclosure statement; or ○ an offer that did not need disclosure because of section 708 of the Corporations Act (including directors and senior managers for the purposes of the Corporations Act). <p>Notwithstanding the exceptions detailed above, the Board must not grant Awards if the number of Shares (including underlying any CDIs and including on exercise of any Options) which have been or would be issued in aggregate under any employee incentive scheme (including the Retech Incentive Plan) in the last three years would exceed 10% of the total number of Shares on issue at the date of the Offer.</p>											
<p>Certain rights in relation to Options</p>	<p>Any Option held by an Eligible Participant will not give any right to the Eligible Participant:</p> <ul style="list-style-type: none"> • to receive any dividends declared by any of the Company or its subsidiaries; • to participate in rights issues and bonus issues by the Company until the Eligible Participant's CDIs are issued to, and registered in the name of, the Eligible Participant before the record date for determining entitlements to the rights issues and bonus issues (as the case may be); or • to vote at a meeting of the Shareholders / CDI holders of the Company, until the Eligible Participant's CDIs are issued to, and registered in the name of, the Eligible Participant before the record date for determining entitlements to the dividend or the date of the meeting of Shareholders (as the case may be). 											
<p>Lapsing of Options</p>	<p>Unless the Board decides otherwise, or as otherwise specified in an Offer, an Option that has not been exercised on or before the Expiry Date, lapses at 5:00pm (Shanghai, People's Republic of China time) on the day after the Expiry Date.</p> <p>Unless the Board decides otherwise, if an event in the table below occurs in respect of an Eligible Participant, the Eligible Participant's Options are treated in accordance with the following table:</p> <table border="1" data-bbox="384 1417 1370 2004"> <thead> <tr> <th data-bbox="384 1417 683 1518" rowspan="2">Event</th> <th colspan="2" data-bbox="683 1417 1370 1518">Options</th> </tr> <tr> <th data-bbox="683 1518 1002 1570">On or before Vesting Date</th> <th data-bbox="1002 1518 1370 1570">During the Exercise Period</th> </tr> </thead> <tbody> <tr> <td data-bbox="384 1570 683 1794">Eligible Participant's lawful termination from employment with the Group or consultancy arrangement with the Group</td> <td data-bbox="683 1570 1002 1794">Options lapse immediately</td> <td data-bbox="1002 1570 1370 1794">The Expiry Date is adjusted to the date set out in the Offer or a later date decided by the Board</td> </tr> <tr> <td data-bbox="384 1794 683 2004">Eligible Participant's resignation or vacation from the Board, employment or consultancy with the Group.</td> <td data-bbox="683 1794 1002 2004">Options lapse immediately</td> <td data-bbox="1002 1794 1370 2004">The Expiry Date is adjusted to the date set out in the Offer or a later date decided by the Board</td> </tr> </tbody> </table>	Event	Options		On or before Vesting Date	During the Exercise Period	Eligible Participant's lawful termination from employment with the Group or consultancy arrangement with the Group	Options lapse immediately	The Expiry Date is adjusted to the date set out in the Offer or a later date decided by the Board	Eligible Participant's resignation or vacation from the Board, employment or consultancy with the Group.	Options lapse immediately	The Expiry Date is adjusted to the date set out in the Offer or a later date decided by the Board
Event	Options											
	On or before Vesting Date	During the Exercise Period										
Eligible Participant's lawful termination from employment with the Group or consultancy arrangement with the Group	Options lapse immediately	The Expiry Date is adjusted to the date set out in the Offer or a later date decided by the Board										
Eligible Participant's resignation or vacation from the Board, employment or consultancy with the Group.	Options lapse immediately	The Expiry Date is adjusted to the date set out in the Offer or a later date decided by the Board										

	Eligible Participant being made redundant	Options lapse immediately	The Expiry Date is adjusted to the date set out in the Offer or later date is decided by the Board
	Death or disability (so that unable to perform normal duties – in the opinion of a medical practitioner nominated by the board) of the Eligible Participant	Options lapse 90 days after the date of death or disability	There is no adjustment and the representative of the Eligible Participant’s estate may exercise the Options before the Expiry Date
Rights attaching to CDIs issued under the Retech Incentive Plan and CDIs issued on exercise of Options issued under the Retech Incentive Plan	<p><u>Ranking</u></p> <p>Each Eligible Participant’s CDIs issued under an Award granted pursuant to the Retech Incentive Plan will rank equally in all respects with all existing CDIs from the date of issue.</p> <p><u>Rights and bonus issues</u></p> <p>An Eligible Participant has the right to participate in rights issues and bonus issues by the Company in relation to an Eligible Participant’s CDIs that are registered in the Eligible Participant’s name.</p> <p><u>Dividends</u></p> <p>An Eligible Participant will have an entitlement to any dividends declared and distributed by the Company on Eligible Participant’s CDIs that, at the books closing date for determining entitlement to those dividends, are standing to the account of the Eligible Participant.</p> <p><u>Voting Rights</u></p> <p>An Eligible Participant may exercise any voting rights attaching to an Eligible Participant’s CDIs registered in the Eligible Participant’s name.</p>		
Suspension or Termination of the Retech Incentive Plan	The Retech Incentive Plan may be terminated or suspended at any time by the Board and that termination or suspension will not have any effect on or prejudice the rights of any Eligible Participant holding Awards at that time.		
Reorganisation and adjustment	<p><u>Reconstruction</u></p> <p>If there is a reconstruction of the issued capital of the Company (including consolidation, sub-division, reduction or return), the number of CDIs:</p> <ul style="list-style-type: none"> • issued to an Eligible Participant under the Retech Incentive Plan; or • to be issued on exercise of an Option, <p>will be adjusted to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital.</p> <p><u>Bonus issue</u></p> <p>If a pro rata bonus or cash issue of securities is awarded by the Company, the number of CDIs to be issued on exercise of an Option and the Exercise Price will be adjusted as specified in the ASX Listing Rules and written notice will be given to the Eligible Participant.</p>		

A copy of the Retech Incentive Plan is set out on the Company’s website at <http://retech-rte.com/Announcement/RetechIncentivePlan.pdf>.

Resolution 6: General Mandate to Issue and Allot New Shares

Pursuant to Section 141 of the Companies Ordinance, Hong Kong, Cap 622, a general mandate must be given to Directors to issue any unissued shares in the capital of a company.

This resolution allows the Directors to issue further unissued shares in the capital of the Company. This resolution is, however, subject to the ASX Listing Rules and, in particular to:

- (a) ASX Listing Rule 7.1, which restricts the Company from issuing new securities in the Company which would dilute the interests of existing Shareholders or CDI holders, to a maximum of 15% of the issued capital of the Company in any 12 month period without shareholder approval;
- (b) ASX Listing Rule 10.11, which restricts the Company from issuing new securities in the Company to a related party without shareholder approval; and
- (c) ASX Listing Rule 10.14, which restricts the Company from issuing new securities in the Company under an employee share plan to a Director or an associate of a Director without shareholder approval.

Resolution 7: Payment of dividend

Under Article 92(b), the Directors may from time to time pay the members an interim dividend that appears to be justified by the profits of the Company. The dividend must not exceed the amount recommended by the Directors.

Resolution 7 seeks the approval of CDI holders for the Company to pay a dividend on terms to be approved by the Directors. Full detail of the amount of the dividend and timeframes for payment of the dividend will be announced to the ASX in due course and in accordance with the ASX Listing Rules.

