

Notice of 2018 Annual General Meeting

NOTICE is hereby given that the 2018 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) (10:00 am Hong Kong time) on Tuesday, 26 June 2018, at Level 18, Building 2, 335 Guoding Road, Yangpu District Shanghai, China.

If you are unable to attend the meeting, we encourage you to complete and return the enclosed CDI Voting 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 Meeting or an adjournment thereof, being no later than 12:00 noon (Sydney, Australia Time)(10:00 am Hong Kong time) on Saturday, 23 June 2018.

BUSINESS

1. 2017 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 2017 and as lodged with Australian Securities Exchange (**ASX**).

No resolution is required by law in respect of this agenda item. However, it will provide shareholders 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 RMB1,450,000 (approximately A\$290,000) for the year ending 31 December 2018.

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- a Director; and
- any Associate of that person(s).

However, the Company will 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.

3. Resolution 2 : Re-election of Director – Mr. Ai Shungang

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

"That Mr Ai Shungang (Non-Executive Director) retires as a Director in accordance with Articles 22(b) and 23 of the Company's Articles of Association and the ASX Listing Rules, and, being eligible, is re-elected as a Director of the Company."

4. Resolution 3 : Re-election of Director – Mr. Calvin Cheng

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

“That Mr Calvin Cheng (Non-Executive Director) retires as a Director in accordance with Articles 22(b) and 23 of the Company’s Articles of Association and the ASX Listing Rules, and, being eligible, is re- elected as a Director of the Company.”

5. Resolution 4 : Election of Director – Mr. Ross Benson

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

“That Mr Ross Benson (Non-Executive Director) retires as a Director in accordance with Articles 22(a) and 23 of the Company’s Articles of Association and the ASX Listing Rules, and, being eligible, is re- elected as a Director of the Company.”

6. Resolution 5 : Re-election of Director – Ms. Liu Qing

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

“That Ms Liu Qing (Non-Executive Director) retires as a Director in accordance with Articles 22(b) and 23 of the Company’s Articles of Association and the ASX Listing Rules, and, being eligible, is re- elected as a Director of the Company.”

7. Resolution 6 : Election of Director – Mr. Ma Hok Wang

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

“That Mr Ma Hok Wang (Non-Executive Director) retires as a Director in accordance with Articles 21(d) and 23 of the Company’s Articles of Association and the ASX Listing Rules, and, being eligible, is re-elected as a Director of the Company.”

8. Resolution 7 : Re-election of Director – Mr. Lu Jiuping

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

“That Mr Lu Jiuping (Non-Executive Director) retires as a Director in accordance with Articles 22(b) and 23 of the Company’s Articles of Association and the ASX Listing Rules, and, being eligible, is re- elected as a Director of the Company.”

9. Resolution 8 : 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 authorized to fix their remuneration.”

10. Resolution 9 : Ratification of past issue of CDIs

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the past issue and allotment of a total of 15,000,000 CHESS Depository Interests (CDI) at a price of A\$0.4662 per CDI to the allottee, City Savvy Limited, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

In accordance with the notice requirements of ASX Listing Rule 7.5.6 for approval under ASX Listing Rule 7.4, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of Resolution 9 by or on behalf of City Savvy Limited (the only party that participated in the CDI issue) and any Associate of that person.

However, the Company will 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.

11. Resolution 10 : Ratification of past issue of Convertible Note

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the past issue and allotment of a total of 1 Convertible Note (**Convertible Note**) issued at HK\$39,000,000 (equivalent to approximately A\$6,500,000) to City Savvy Limited on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion Statement

In accordance with the notice requirements of ASX Listing Rule 7.5.6 for approval under ASX Listing Rule 7.4, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of Resolution 10 by or on behalf of City Savvy Limited (the only party that participated in the Convertible Note issue) and any Associate of that person.

However, the Company will 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.

12. Resolution 11 : Approval of Put Option to Retech Investment Group Co., Ltd

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

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval be given for the put option contained in the Put Option Deed to be able to be exercised in accordance with its terms allowing for a maximum of 12,700,700 CDIs under the Sale and Purchase Agreement and 15,000,000 CDIs under the CDI Subscription Agreement to be transferred from City Savvy Limited to Retech Investment Group Co., Ltd., a company controlled by Mr Ai Shungang on the terms and conditions set out in the Explanatory Statement"

Voting Exclusion Statement

In accordance with the notice requirements of ASX Listing Rule 10.13 for approval under ASX Listing Rule 10.11, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of Resolution 11 by or on behalf of :

- Mr Ai Shungang; and
- Retech Investment Group Co., Ltd.; and
- any Associates of those person(s).

However, the Company will 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.

13. Resolution 12 : 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), and 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 a 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."

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 and CDI holders at 7:00 pm (Sydney Time) 5:00 pm (Hong Kong Time) on Sunday, 24 June 2018. Accordingly transfers registered after that time will be disregarded in determining members entitled to attend and vote at the meeting.

(ii) Proxy voting by holder of ordinary shares

Shareholders who are unable to attend the 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, Room 1309, 13/F, Prince's Building, 10 Chater Road, Central, Hong Kong by no later than 10:00 am Hong Kong time (12:00 noon Sydney time) on Sunday, 24 June 2018.

(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 Meeting or an adjournment thereof, being no later than 12:00 noon (Sydney time)(10:00 am Hong Kong time) on Saturday, 23 June 2018.

Dated: 31 May 2018

By order of the Board

Ai Shungang
Chairman

Explanatory Statement

This explanatory statement accompanies the 2018 Annual General Meeting of Retech Technology Co., Ltd ARBN 615 153 332 (“the Company”) to be held at 12:00 noon (Sydney time) (10:00 am Hong Kong time) on Tuesday, 26 June 2018 at Level 18, Building 2, 335 Guoding Road, Yangpu District, Shanghai, China.

2017 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 2017 (**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.

Resolution 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 2018.

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.

Resolutions 2 – 7 (inclusive): Election of Directors

Pursuant to both the ASX Listing Rules and the Articles of Association, every Director shall be subject to retirement by rotation at least once every three years.

Clause 22(b) of the Articles of Association requires a Director must not hold office (without re-election) past the third annual general meeting following the Director’s appointment or three years, whichever is longer.

Clause 21(b) of the Articles of Association also requires any Directors appointed by the Board to fill a casual vacancy or as an addition to the Board to hold the office only until the next following annual general meeting of the Company and shall then be eligible of re-election.

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

Name and Role	Experience and Special Responsibilities
Mr. Ai Shungang Non-Executive Director	Mr. Ai Shungang, as the founder of Retech Group, was appointed as the Non-executive Co-Chairman of Retech’s Board. He controls the largest shareholder of Retech. Mr Ai graduated from Nanjing University of Posts and Telecommunications and brings more than 14 years’ practical experience in the fields of software development, consulting and online education services in China. In 2014, he was rewarded as the “Leading Talent of Digital Publishing” in China.
Mr. Calvin Cheng Non-Executive Director	Mr Calvin Cheng was appointed as the Non-executive Co-Chairman of Retech’s Board. He was also an appointed Member of Parliament of Singapore in the Eleventh Parliament. He has served on various Ministerial advisory boards including the Media Literacy Council, the Singapore Media Festival, Screen Singapore and the Government Feedback REACH supervisory council. Calvin graduated from the University of Oxford with a Master of Arts in Philosophy, Politics and Economics, and a Master of Science in Management. Calvin is also a Young Global Leader of the World Economic Forum at Davos.

Name and Role	Experience and Special Responsibilities
Mr. Ross Benson Non-Executive Director	Mr Ross Benson established financial services and advisory company, Investorlink Group in 1986 and is currently Executive Chairman of the company. Mr Benson has also established associated business units in wealth management, private equity, property syndication and structured financial products. He brings more than 30 years' experience in the Australian financial services industry and has extensive expertise in securities, transaction advisory and business strategy. He has acted as lead negotiator for a number of medium to large enterprise divestment or acquisitions in both Australia and China.
Ms. Liu Qing Non-Executive Director	Ms Liu Qing was appointed as the Non-executive director of Retech's Board. She has over 20 years of experience in equity, securities and finance. Liu Qing was also the partner of OFC, the top 10 "Best Local Investment Institution" in China, with a management capital of RMB7 billion, over 100 investment projects and a number of projects listed or merged drop out. Liu Qing graduated from Huazhong University of Science and Technology with a master's degree in management. In 2009 Liu Qing was hired as an MBA part-time professor at Lanzhou University of Finance and Economics.
Mr. Ma Hok Wang Non-Executive Director	Mr. Ma Hok Wang is a Managing Director in Poseidon Hill Capital Limited and was a Director with Huarong Investment. Prior to Huarong Investment, he worked in the Global Investment Banking department of Merrill Lynch (Asia Pacific). He also worked in EMEA investment banking in London and direct investment in Beijing.
Mr. Lu Jiuping Non-Executive Director	Mr. Lu Jiuping was appointed as the Non-executive director of the Board. He has years of expertise in software development, and used to serve as a senior manager in iSoftstone, WSN Group and Yungu Capital. From 2007 to 2012, he held the role as an elected member of Jiangsu Province at the Tenth National Committee of the Chinese people's Political Consultative Conference (CPPCC). He holds a Bachelor of Computer Science from the Central South University of China and an MBA from the University of Science and Technology, Beijing

Resolution 8: Appointment of Auditor

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

Resolution 8 is an ordinary resolution.

Resolution 9: Ratify past issue of CDIs

Purpose of resolution

On 20 November 2017, the Company issued a total of 15,000,000 CHES Depository Interests (**CDIs**) to City Savvy Limited, (**City Savvy**) a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Huarong Investment Stock Corporation at an issue price of A\$0.4662 per CDI to raise a total of A\$6,993,000.00 (**Subscription CDIs**).

The Subscription CDIs were issued within the Company's 15% Placement Capacity (defined below) permitted under ASX Listing Rule 7.1.

Approval under ASX Listing Rule 7.4 is being sought so that the issue of the Subscription CDIs is treated as having been made with approval of ASX Listing Rule 7.1 and hence so that it does not reduce the 15% Placement Capacity.

Resolution 9 is an ordinary resolution.

Overview of regulatory approval requirements

ASX Listing Rule 7.1 provides that a company must not issue equity securities, or agree to issue equity securities (which includes CDIs, shares and options) without the approval of shareholders if the number of equity securities to be issued in any 12-month period (including equity securities issued on the exercise of any convertible securities) exceeds 15% of the issued capital of the company preceding the issue (**15% Placement Capacity**).

ASX Listing Rule 7.4 allows for subsequent shareholder approval if the company did not breach ASX Listing Rule 7.1 (ie be in excess of, or bring the Company above, the 15% Placement Capacity) at the time of issue and the holders of ordinary shares subsequently approve it.

Specific information

ASX Listing Rule 7.5 requires certain information to accompany a Notice of Annual General Meeting in relation to approval sought under ASX Listing Rule 7.4.

For the purposes of Shareholder / CDI holder ratification of the issue of the Subscription CDIs and the requirements of ASX Listing Rule 7.5, information is provided as follows:

ASX Listing Rule 7.5 requirement	Information
Persons to whom the Subscription CDIs were issued:	The Subscription CDIs were issued to City Savvy, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Huarong Investment Stock Corporation. City Savvy is not a related party of the Company. The Company was not required to provide City Savvy with a disclosure document for the offer of the Subscription CDIs.
Total number of securities allotted:	15,000,000 Subscription CDIs. As at 31 March 2018, the Subscription CDIs represented 6.5% of the then issued capital of the Company.
Date of issue:	20 November 2017
The issue price of the securities:	The Subscription CDIs were issued at A\$0.4662 per CDI to raise a total of A\$6,993,000.00.
Terms of issue of the securities:	The Subscription CDIs are fully paid ordinary shares ranking equally with the Company's existing listed CDIs. The Company applied to the ASX for quotation of the Subscription CDIs on the ASX. The Subscription CDIs were admitted to quotation on 20 November 2017.
The use (or intended use) of funds	It is intended that the funds raised by the issue of the Subscription CDIs will be used to fund: <ul style="list-style-type: none">• The Company's strategic expansion, including but not limited to Australia, Hong Kong and Japan;• Research and development costs associated with the integration of the Company's E-Partnership Solutions and E-Course Direct business channels; and• Working capital
Voting exclusion statement:	A voting exclusion statement is contained in the Notice of Annual General Meeting.

Resolution 10: Ratify past issue of Convertible Note

Purpose of resolution

On 20 November 2017, the Company issued a convertible note (**Convertible Note**) to City Savvy Limited, (**City Savvy**) a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Huarong Investment Stock Corporation in the principal amount of HK\$39,000,000 (equivalent to approximately A\$6,500,000) entitling City Savvy to convert the whole or any part of the Convertible Note into CDIs (**Conversion CDIs**)

The Convertible Note was issued within the Company's 15% Placement Capacity (defined below) permitted under ASX Listing Rule 7.1.

Approval under ASX Listing Rule 7.4 is being sought so that the issue of the Convertible Note is treated as having been made with approval of ASX Listing Rule 7.1 and hence so that it does not reduce the 15% Placement Capacity.

Resolution 10 is an ordinary resolution.

Overview of regulatory approval requirements

ASX Listing Rule 7.1 provides that a company must not issue equity securities, or agree to issue equity securities (which includes CDIs, shares and options) without the approval of shareholders if the number of equity securities to be issued in any 12-month period (including equity securities issued on the exercise of any convertible securities) exceeds 15% of the issued capital of the company preceding the issue (**15% Placement Capacity**).

ASX Listing Rule 7.4 allows for subsequent shareholder approval if the company did not breach ASX Listing Rule 7.1 (ie be in excess of, or bring the Company above, the 15% Placement Capacity) at the time of issue and the holders of ordinary shares subsequently approve it.

Specific information

ASX Listing Rule 7.5 requires certain information to accompany a Notice of Annual General Meeting in relation to approval sought under ASX Listing Rule 7.4.

For the purposes of Shareholder / CDI holder ratification of the issue of the Convertible Note and the requirements of ASX Listing Rule 7.5, information is provided as follows:

ASX Listing Rule 7.5 requirement	Information
Persons to whom the Convertible Note was issued:	The Convertible Note was issued to City Savvy, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Huarong Investment Stock Corporation. City Savvy is not a related party of the Company. The Company was not required to provide City Savvy with a disclosure document for the offer of the Convertible Note.
Total number of securities allotted:	1 Convertible Note. As at 31 March 2018, the Convertible Note represented 7.00% of the then issued capital of the Company (assuming it is converted and on a fully diluted basis).
Date of issue:	20 November 2017.
The issue price of the securities:	The Convertible Note was issued for HK\$39,000,000 (equivalent to approximately A\$6,500,000).
Terms of issue of the securities:	The terms of issue of the Convertible Note are as follows: <ul style="list-style-type: none"> • Conversion Price: 10% discount to the five-day simple average closing price prior to and excluding the conversion day. • Coupon rate: 8%/year, paid quarterly in cash. • Maximum number of Conversion CDIs that may be issued on conversion: 17,362,642 Conversion CDIs (subject to any adjustments for a reorganisation event whereby the limit will be adjusted proportionately in accordance with the ASX Listing Rules). • Terms of the Conversion CDIs: the Conversion CDIs will be on the same terms as the CDIs currently on issue in the Company. The Company will apply for quotation of the Conversion CDIs immediately following their issue. • Conversion Period: Commences 18 months from the date of issue of the Convertible Note and ends on the Maturity Date. • Maturity Date: 4 years from the date of issue of the Convertible Note. The Convertible Note will be redeemed if not redeemed or converted prior to the Maturity Date. • Early redemption by the Company: The Company can redeem the whole Convertible Note 12 months after the date of issue of the Convertible Note by paying the early redemption amount. The early repayment amount equals an amount which gives rise to 12% internal rate of return to the Investor on the Convertible Note.

ASX Listing Rule 7.5 requirement	Information
	<ul style="list-style-type: none"> • Early redemption by Investor: Huarong has the right to request early redemption of the Convertible Note on the occurrence of the following: <ul style="list-style-type: none"> ○ The Company's audited net profit after tax (NPAT) in any financial year is less than RMB20 million; or ○ Either Chairman Ai Shungang or CEO Liu Cheng are no longer directors or employees of the Company.
The use (or intended use) of funds	<p>It is intended that the funds raised by the issue of the Convertible Note will be used to fund:</p> <ul style="list-style-type: none"> • The Company's strategic expansion, including but not limited to Australia, Hong Kong and Japan; • Research and development costs associated with the integration of the Company's E-Partnership Solutions and E-Course Direct business channels; and • Working capital
Voting exclusion statement:	A voting exclusion statement is contained in the Notice of Annual General Meeting.

Resolution 11: Approval of Put Option to Retech Investment Group Co., Ltd

Purpose of resolution

On 9 November 2017, City Savvy Limited (**City Savvy**), a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Huarong Investment Stock Corporation (**Huarong**) (2277:HK; HK\$2 billion market cap) has entered into transaction documents (**Transaction Documents**) to become a major shareholder of the Company with a maximum of 18.16% interest in the Company's issued capital (on a fully diluted basis).

This transaction the subject of the Transaction Documents completed on 20 November 2017.

The Transaction Documents, including the status of each, is detailed below:

Document	Parties	Detail	Status
Sale and Purchase Agreement	City Savvy & Miao Shi Investment Group Co., Ltd., a company incorporated in the BVI (Vendor)	The Vendor agreed to sell, and the Investor agreed to purchase, 12,700,700 CDIs (Sale CDIs) at the price of A\$0.4662 per Sale CDI for a total consideration of A\$5,921,066.34 which will be converted into an equivalent amount in Hong Kong Dollars on completion of the sale at a conversion rate of A\$1.00 to HK\$6.00.	These Sale CDIs were transferred to City Savvy on 20 November 2017.
CDI Subscription Agreement	City Savvy & The Company	The Company agreed to issue, and the Investor agreed to subscribe from the Company, 15,000,000 CDIs (Subscription CDIs) at the price of A\$0.4662 per Subscription CDI for a total consideration of A\$6,993,000.00. The Subscription CDIs will be on the same terms as the CDIs currently on issue in the Company. The Company will apply for quotation of the CDIs immediately following their issue.	These Subscription CDIs were transferred to City Savvy on 20 November 2017. These Subscription CDIs are the subject of Resolution 9.
Convertible Note Subscription Agreement	City Savvy & The Company	The Company agreed to issue, and the Investor agreed to subscribe from the Company, a convertible note (Convertible Note) in the principal amount of HK\$39,000,000 (equivalent to approximately A\$6,500,000) entitling the Investor to convert the whole or any part of the Convertible Note into CDIs. The terms of the Convertible Note are detailed in the Explanatory Statement for Resolution 10 (above)	This Convertible Note was issued to City Savvy on 20 November 2017. This Convertible Note is the subject of Resolution 10.

Document	Parties	Detail	Status
Put Option Deed	City Savvy & Retech Investment Group Co., Ltd.,	<p>As a condition to completion under the Sale and Purchase Agreement and CDI Subscription Agreement, Retech Investment Group Co., Ltd., a company incorporated in BVI and a shareholder and CDI holder of the Company controlled by Mr Ai Shungang (Retech Investment) entered into a Put Option Deed granting a put option to the Investor on the following terms:</p> <ul style="list-style-type: none"> • Put option: At the end of year 4 (in the first period in which CDIs can be transferred under the Retech Securities Trading Policy), City Savvy has right to sell the Sale CDIs and/or the Subscription CDIs to Retech Investment for a price which guarantees a 12% internal rate of return (IRR) (AUD basis). • Early exercise of put option: Early exercise of the Put Option (at the election of the Investor) during the four year period if: <ul style="list-style-type: none"> ○ The Company's audited net profit after tax (NPAT) in any financial year is less than RMB20 million; or ○ Either Chairman Ai Shungang or CEO Liu Cheng are no longer directors or employees of the Company. 	As detailed below, the ASX confirmed that the exercise of the Put Option in respect of the Subscription CDIs is subject to shareholder approval under ASX Listing Rule 10.11. The Company will put a resolution approving the exercise of the Put Option to CDI Holders at the 2018 Annual General Meeting.

The ASX has confirmed that the exercise of the Put Option (contained in the Put Option Deed) in respect of the Subscription CDIs is subject to shareholder approval under ASX Listing Rule 10.11.

As a consequence, approval under ASX Listing Rule 10.11 is being sought for the exercise of the Put Option (contained in the Put Option Deed) in respect of the Subscription CDIs at the 2018 Annual General Meeting.

Resolution 11 is an ordinary resolution.

Specific information

ASX Listing Rule 10.13 requires certain information to accompany a Notice of Annual General Meeting in relation to approval sought under ASX Listing Rule 10.11.

For the purposes of Shareholder / CDI holder approval under ASX Listing Rule 10.11 of the Put Option (contained in the Put Option Deed) in respect of the Subscription CDIs and the requirements of ASX Listing Rule 10.13, information is provided as follows:

ASX Listing Rule 10.13 requirement	Information
Name of the person:	Retech Investment Group Co., Ltd., a company incorporated in BVI and a shareholder and CDI holder of the Company controlled by Mr Ai Shungang (Retech Investment)
The maximum number of securities to be issued:	The Put Option, if exercised, will enable Retech Investment to acquire a maximum of 15,000,000 CDIs.
The date by which the Company will issue the securities:	<p>The Put Option is exercisable (at the election of City Savvy) on:</p> <ul style="list-style-type: none"> • The fourth anniversary of the Put Option Deed; or • At any time prior to the fourth anniversary of the Put Option Deed in the event: <ul style="list-style-type: none"> ○ The Company's audited net profit after tax (NPAT) in any financial year is less than RMB20 million; or ○ Either Chairman Ai Shungang or CEO Liu Cheng are no longer directors or employees of the Company.
The issue price of the securities:	The Subscription CDIs the subject of the Put Option, were issued to City Savvy at A\$0.4662 per Subscription CDI for a total consideration of A\$6,993,000.00.

ASX Listing Rule 10.13 requirement	Information
The use (or intended use) of funds	<p>It is intended that the funds raised by the issue of the Subscription CDIs will be used to fund:</p> <ul style="list-style-type: none"> • The Company's strategic expansion, including but not limited to Australia, Hong Kong and Japan; • Research and development costs associated with the integration of the Company's E-Partnership Solutions and E-Course Direct business channels; <p>Working capital</p>
Voting exclusion statement:	A Voting exclusion statement is contained in the Notice of Annual General Meeting.

Resolution 12: 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.

Resolution 12 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:

- 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;
- ASX Listing Rule 10.11 which restricts the Company from issuing new securities in the Company to a related party without shareholder approval; and
- 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 12 is an ordinary resolution.