

AUSTRALIA SAMLY HOLDINGS GROUP LIMITED
(ACN 164 307 975)

**Notice of General Meeting and
Explanatory Statement**

Time of meeting: 10:00 a.m. (Shenzhen Time)

Date of meeting: Wednesday, 30 November 2016

**Venue: B412, Shahe Century Square, Huaqiaochen, Nanshan District,
Shenzhen, Guandong, China**

Important Information

This is an important document. Please read the information in Meeting Minutes and Explanatory Statement very carefully. It is important that you either attend the meeting or complete and lodge the enclosed proxy form.

The information provided in this Booklet is not financial product advice. This Booklet contains general information only. The Booklet does not take into account the investment objectives, financial situation and particular needs of individual investors. Accordingly, nothing in this Booklet should be construed as an investment recommendation by Australia Samly holdings Group Limited, or any associates of Australia Samly holdings Group Limited, or any other person concerning an investment in Australia Samly holdings Group Limited.

It is important that you read the entire Booklet before making any decision about how to vote. If you are in doubt about what to do in relation to the resolutions, you should consult your financial or other professional advisor.

1. Notice of General Meeting

Notice is hereby given that general meeting (*Meeting*) of the shareholders of **AUSTRALIA SAMLY HOLDINGS GROUP LIMITED** (ACN 164 307 975) (*Company*) will be held at 10:00 a.m. on 30

November 2016 at **B412, Shahe Century Square, Huaqiaochen, Nanshan District, Shenzhen, Guangdong, China**, for the purpose of transacting the following business (together the **Resolution**):

Ordinary Business

Item 1: Resignation and Appointment of Company auditor

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

‘That, subject to ASIC’s consent to the resignation of BDO East Coast Partnership, BDO East Coast Partnership’s resignation as the Company’s auditor be approved .’

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

‘That, subject to ASIC’s consent to the resignation of BDO East Coast Partnership, Nexia is appointed as the Company’s new auditor.’

Item 2: Election of Directors

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

‘That Ms. Ying Yao having been appointed as a director since the last Annual General Meeting, and who retired in accordance with SSX listing rule 18.9 and, being eligible, offers herself for an election’

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

‘That Ms. Yin Pin having been appointed as a director since the last Annual General Meeting, and who retired in accordance with SSX listing rule 18.9 and, being eligible, offers herself for an election.’

Item 3: Election of Non-Executive Directors

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

‘That Mr Weicheng Huang is elected as a Non-Executive Director of the Company.’

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

‘That Mr Enhua Huang is elected as a Non-Executive Director of the Company.’

Item 4: Financial Statements and Report

To receive and consider the Annual Financial Report and the Reports of the Directors and Auditor for the financial year ended 30 June 2016.

Item 5: Adoption of the Remuneration Report for the Year Ended 30 June 2016

To adopt the Remuneration Report for the year ended 30 June 2016, as set out in the Directors' Report section of the Annual Report. (Note – the vote on this resolution is advisory only and does not bind the Directors or the Company.)

Item 6: Other Business

In accordance with the Corporations Act 2001 (Cth) (**Corporations Act**), a reasonable opportunity will be given to shareholders, as a whole, to ask questions or make comments at the meeting on the management of the Company, including asking questions of the auditor of the Company.

2. Explanatory Statement

This Explanatory Statement contains an explanation of, and information about, the Resolution. This Explanatory Statement (together with the Annexures) forms part of the Notice of Meeting and should be read together with the Notice of Meeting.

Item 1: Resignation and Appointment of Company auditor

(a) The Company has received a notice of intention of resignation from the Company's auditor, BDO East Coast Partnership. BDO East Coast Partnership is in the process of obtaining ASIC's consent to its resignation effective from the date of the general meeting.

A copy of the Company's confirmation of no disruption to audit work and no disagreements is attached to this Notice of Meeting and Explanatory Statement as **Annexure B**.

(b) The Company has received have received a written consent to act as the Company's auditor from Nexia.

A copy of the consent form signed by Nexia is attached to this Notice of Meeting and Explanatory Statement as **Annexure C**.

Board recommendation

The Board unanimously recommends that shareholders vote in favour of these resolutions.

Item 2: Election of Directors

In accordance with SSX listing rule 18.9:

(a) Ms Ying Yao having been appointed as a director since the last Annual General Meeting, and who retired in accordance with SSX listing rule 18.9 and, being eligible, offers herself for an election.

(b) Ms Yin Pin having been appointed as a director since the last Annual General Meeting, and who retired in accordance with SSX listing rule 18.9 and, being eligible, offers herself for an election.

Personal particulars for Ms. Yao and Ms. Yin are set out below.

Item 2 (a): Ms Ying Yao

Ying Yao is currently the Group's Procurement Controller and has been working for the Group's Shenzhen business, Shenzhen Vitality Bio-health Technology Co., Ltd (Shenzhen Samly) since 2008.

Ms Yao holds a Master of Administration (EMBA) from the Beijing University. Ms Yao has more than 10 years of experience in the healthcare industry and have held positions in accounting, administration, management and procurement departments in the Group's businesses.

Ms Yao is the wife of the Group's founder, Chairman and Executive Director, Liangchao Chen, and has assisted Mr Chen with the growth of the business over the number of years since Mr Chen cofounded Shenzhen Samly. Ms Yao has extensive knowledge and experience in the Group's operations.

Item 2 (b): Ms Pin Yin

Pin Yin has been appointed as the Group's Company Secretary since 15 November 2013. Prior to that date, Pin Yin has worked as the Company Secretary of the Group's Shenzhen businesses since June 2012.

Ms Yin holds a bachelor of law degree. Ms Yin has been engaged in the healthcare business industry for 7 years and has rich management and business experience.

Ms Yin has extensive knowledge of the business and acts as an important communicator between the different departments in the Group's businesses and the Group's stakeholders.

Board recommendation

The Board unanimously recommends that shareholders vote in favour of these resolutions.

Item 3: Election of Non-Executive Directors

In accordance with SSX Listing Rule 18.10(b) and the Company's constitution, a director appointed to the board must not hold office, without re-election, past the next annual general meeting of the Company.

The Company puts to shareholders the election of Mr Weicheng Huang and Mr Enhua Huang as directors. The Company has received written consents from Mr Weicheng Huang and Mr Enhua Huang to act as Non-Executive Directors. A copy of Mr Weicheng Huang and Mr Enhua Huang's signed consents to act are attached to this Notice of Meeting and Explanatory Statement as **Annexure D** and **Annexure E** respectively.

Personal particulars for Mr Weicheng Huang and Mr Enhua Huang are set out below.

Item 3(a): Mr Weicheng Huang

Mr Huang is a fellow of CPA Australia, a senior member of CPA China and Certified Tax practitioner in China. He holds a Masters degree in Business Administration.

Mr Huang has strong expertise in finance, accounting and taxation. He was a partner and deputy director of BDO China (Guangdong office) for 25 years and was the firm's International Services leader. During his tenure at BDO China, he led a number of large China A-Share IPO transactions and advised on cross-border listing transactions in Australia for a number of Chinese companies. Additionally, he was appointed as the Non-Executive director of Guangdong Golden Dragon Development Inc (SHE: 000712).

Currently, Mr Huang is the Non-Executive Director of Guangzhou Holike Creative Home Co., Ltd (SHA: 603898).

Mr Huang is an Australian permanent resident.

Item 3(b): Mr Enhua Huang

Mr Huang holds a degree from the Beijing Technology and Business University and a Masters degree from the Australia Deakin University. Mr Huang holds the Association of International Accountants (AIA) membership and is a PRC certified Intermediate Accountant.

Mr Huang has strong experience in the formulation of financial policies and financial strategic planning, reviewing and approving budgets and financial management policies, auditing and financial reporting.

Mr Huang has 11 years of work experience in the accounting and finance field and possesses extensive knowledge of accounting and finance.

Mr Huang has bilingual skills (English and Mandarin).

Board recommendation

The Board unanimously recommends that shareholders vote in favour of the above resolutions.

Item 4: Financial Statements and Report

The Annual Financial Report and the reports of the Directors and the Auditor for the financial year ended 30 June 2016 will be presented for consideration. The Annual Report will be available on the Company's corporate website and will be mailed to shareholders who have elected to receive a hard copy.

Item 5: Adoption of Remuneration Report for the Year Ended 30 June 2016

The Remuneration Report is presented within the Directors' Report of the Company's 30 June 2016 Annual Report.

Shareholders will be asked to vote on a resolution to adopt the Remuneration Report at the General Meeting. The vote on the resolution will be advisory only and will not bind the Directors or the Company. However, under the Corporations Act, if 25 per cent or more of the votes cast on the resolution at the GM are against adoption of the Remuneration Report, then:

- if comments are made on the Remuneration Report at the GM, the Company's Remuneration Report for the year ended 30 June 2016 (2016 Remuneration Report) will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this, and
- if, at next year's GM, at least 25 per cent of the votes cast on the resolution for adoption of the 2016 Remuneration Report are against it, the Company will be required to put to shareholders a resolution proposing that an extraordinary general meeting (**EGM**) be called to consider the election of Directors (spill resolution). If a spill resolution is passed (i.e., more than 50 per cent of the votes cast are in favour of it), all of the Directors (other than the Managing Director & CEO) who were Directors when the resolution for adoption of the 2016 Remuneration Report was voted on will cease to hold office at the subsequent EGM and may present themselves for re-election at that EGM.

The Board will take the outcome of the vote on resolution 5 into consideration when reviewing the remuneration policy for Directors and executives in the future.

A reasonable opportunity will be provided for shareholders to ask questions about or to make comments on the Remuneration Report at the GM.

Board recommendation

The Board recommends that shareholders vote in favour of this resolution.

Voting exclusion statement

Item 5: Adoption of Remuneration Report for the Year Ended 30 June 2016.

In accordance with the Corporations Act, no vote may be cast (in any capacity) on this resolution by or on behalf of:

- any member of the Key Management Personnel (KMP) details of whose remuneration are included in the Remuneration Report for the year ended 30 June 2016, or
- a Closely Related Party of any such member of the KMP.

However, a KMP or a KMP's Closely Related Party may vote on this resolution as proxy if the vote is not cast on behalf of a KMP or a KMP's Closely Related Party and:

- the appointment of the proxy is in writing and specifies the way the proxy is to vote on this resolution; or
- the proxy is the Chairman of the GM and the appointment of the Chairman of the GM as proxy:
- does not specify the way the proxy is to vote on this resolution; and
- expressly authorises the Chairman of the GM to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the KMP.

If you appoint the Chairman of the GM as your proxy and you do not direct your proxy how to vote on this resolution, you will be expressly authorising the Chairman of the GM to exercise your proxy even if this resolution is connected directly or indirectly with the remuneration of a member of the KMP, which includes the Chairman of the GM.

3. Voting Instructions

A How to vote

You may vote in one of two ways:

- attending the meeting and voting in person (if a corporate shareholder, by representative); or
- voting by proxy (see below on how to vote by proxy).

B Corporations

To vote at the Meeting, a Shareholder that is a corporation must appoint an individual to act as its representative. The appointment must comply with section 250D of the Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Alternatively, a corporation may appoint a proxy.

C Voting in person

To vote in person, attend the meeting on the date and at the time and place set out above.

D Voting by proxy

To vote by proxy, please complete and sign the proxy form attached to this Notice of General Meeting as **Annexure A** as soon as possible and either:

- post the proxy form to the Company's office at AMP Centre, Level 27, 50 Bridge Street, Sydney NSW 2000 AUSTRALIA.
- by facsimile to facsimile number +61 2 9225 1595

Pursuant to section 250B(5) of the Act, the directors of the Company have determined that, for the purposes of voting at the General Meeting, the Company may accept proxy forms until 4 pm on 30 November 2016. Any proxy forms received after this time will not be accepted by the Company for the purposes of voting at the General Meeting.

A member who is entitled to attend and vote at the General Meeting may appoint a person, who need not be a member of the Company, as the member's proxy to attend and vote on behalf of the member.

A member who is entitled to cast 2 or more votes may appoint 2 or more proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the appointment is signed by an attorney, the power of attorney or certified copy of it must be sent with the proxy form.

5 Eligibility to vote

In accordance with applicable law, the directors have made a determination that all shares of the Company are taken, for the purposes of determining the right of members to attend and vote at the General Meeting, to be held by persons who held them at 5:00 p.m. on the day which is 2 days before the Meeting. If you are not the registered holder of a relevant share in the Company at that time you will not be entitled to vote in respect of that share.

6 Voting procedure

Every question arising at this General Meeting will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Company's current constitution. On a show of hands, every shareholder who is present in person or by proxy, representative or attorney, will have one vote. Upon a poll, every person who is present in person or by proxy, representative or attorney will have one vote for each share held by that person.

Annexure A: Proxy Form

Meeting

Place	B412, Shahe Century Square, Huaqiaochen, Nanshan District, Shenzhen, Guangdong, China
Date	Wednesday 30 November 2016
Time	10:00 a.m. (Shenzhen time)

We,(Name of Shareholder) of

.....
(Address of Shareholder), being a Shareholder of **AUSTRALIA SAMLY HOLDINGS GROUP LIMITED (ACN 164 307 975) (Company)**, hereby appoint:

☐ the Chair of the Meeting; or

☐ the following person:

.....(Name of proxy) of

.....(Address of proxy),

or, failing that person or if no person is named, the Chair of the Meeting, as our proxy to vote on my/our behalf at the meeting of the Shareholders of the Company to be held at the time, date and place indicated above and at any adjournment of that meeting.

Please indicate how you direct your proxy to vote. If you wish to direct your proxy how to vote, please mark the appropriate box below. If you do not direct your proxy on any item, your proxy may vote as he or she thinks fit.

The proxy is directed to vote in the following manner:

	For	Against	Abstain
Resolution – Item 1(a): Resignation of Company auditor			
Resolution – Item 1(b): Appointment of Company auditor			
Resolution – Item 2(a): Re-election of Ying Yao as a director of the Company			
Resolution – Item 2(b): Re-election of Yin Pin as a director of the Company			
Resolution - Item 3(a): Election of Weicheng Huang as a non-executive director of the Company			

**Resolution - Item 3(b): Election of Enhua Huang
as a non-executive director of the Company**

**Resolution - Item 5: Adoption of the
Remuneration Report for the year ended 30 June
2016**

Signed:

.....
(Signature of member)

.....
(Name of member appointing the proxy)

Annexure B: Company's confirmation to ASIC

The Commissioner
Australia Securities and Investment Commission
ASIC Processing Centre
GPO Box 4000
GIPPSLAND VIC 3841

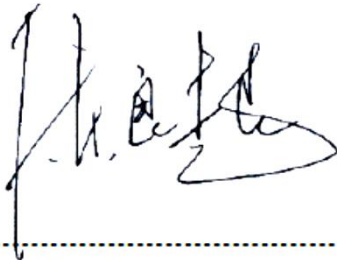
24 October 2016

Dear Sir or Madam

In connection with the request by BDO East Coast Partnership for your consent to their resignation as auditor we make the following declarations in accordance with paragraph 26.31 of Regulatory Guide 26 *Resignation, removal and replacement of auditors*:

- There are no disagreements between BDO East Coast Partnership and management or the directors of Australia Samly Group Holdings Limited; and
- There are no reasons that give rise to an inability to complete any audit under the *Corporations Act 2001* or the *National Consumer Credit Protection Regulations 2010*.

Yours faithfully



Liangchao Chen

Name
Position

Annexure C Nexia's Consent to Act



20 October 2016

Board of Directors
Australia Samly Holdings Group Limited
C/- Baker & Mackenzie
AMP Centre
Level 27, 50 Bridge Street
Sydney, NSW 2000

Dear Board Members,

Consent to Act as Auditor

We, Nexia Melbourne Audit Pty Ltd, hereby consent to act as auditors of Australia Samly Holdings Group Limited (ACN: 164 307 975) pursuant to Section 328(A) of the Corporations Act 2001, subject to the company receiving ASIC's consent for a change of auditor.

Yours faithfully,
Nexia Melbourne Audit Pty Ltd

A handwritten signature in blue ink, appearing to read 'Richard S. Cen', is written over a blue horizontal line.

Richard S. Cen
Director

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Annexure D Consent to Act as Non-Executive Directors - Weicheng Huang

CONSENT TO ACT AS DIRECTOR

To: The Shareholders of
Australia Samly Holdings Group Limited (ACN 164 307 975)

I, HUANG WEICHENG, consent to act as Director of
the Company and provide my personal details below:

Full Name:	HUANG WEICHENG
Former Names:	
Usual Residential Address:	37 Avenza Street MENTONE VIC 3194 Melbourne
Date of Birth:	29.09.1955
Place of Birth:	CHINA

Dated: 1 November 2016


Signature

Annexure D Consent to Act as Non-Executive Directors - Enhua Huang


CONSENT TO ACT AS DIRECTOR

To: The Shareholders of
Australia Samly Holdings Group Limited (ACN 164 307 975)

I, Enhua Huang, consent to act as Director of the Company and provide my personal details below:

Full Name:	Enhua Huang
Former Names:	N/A
Usual Residential Address:	Room 606, Block D, Langtinghaoyuan, 7 th Guihua Road, Futian District, Shenzhen, Guangdong, P.R. China
Date of Birth:	1977-02-24
Place of Birth:	Qingyuan, Guangdong

Dated: 2016-10-31



Signature