

AustCham Shanghai



# 2021 Annual General Meeting

A G E N D A

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外白渡桥 南京东路  
Waibaidu Bridge Nanjing (E) Rd.  
← 28 中山东一路 27 →

7:00-10:00  
15:00-20:00  
外灘遊覽車  
出租空車  
實習車  
臨時号牌  
ETC 設備  
嚴禁鳴笛

出口

國松展板車  
T 151021138  
BH 75

# Agenda

## **1. WELCOME**

Welcome to the AustCham Shanghai Annual General Meeting 2021.

*From Mr Simon Lance, Chairman, AustCham Shanghai*

## **2. CHAIRMAN'S REMARKS**

*By Mr Simon Lance, Chairman, AustCham Shanghai*

## **3. EXECUTIVE DIRECTOR'S REPORT**

*By Mr Bede Payne, Executive Director, AustCham Shanghai*

## **4. PRESENTATION OF THE 2020 AGM MINUTES**

*By Mr Simon Lance, Chairman, AustCham Shanghai*

To receive the signed minutes of the 2020 Annual General Meeting.

## **5. PRESENTATION OF THE AUDITED GROUP CONSOLIDATED FINANCIAL REPORT**

*By Mr Bede Payne, Executive Director, AustCham Shanghai*

To receive and consider the 2021 Annual Report, including the 2020 Audited Group Consolidated Financial Statements, 2020 Group Auditors Report and 2021 Financial Forecast.

## **6. RESOLUTION TO ACCEPT THE 2021 ANNUAL REPORT**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

"To adopt the 2021 Annual Report, including the Audited Group Consolidated Financial Statements, Directors Report and Group Audit Report for the year ending 31 December 2020; the Financial Forecast for the year ending 31 December 2021 and the Legal Counsel Report."

## **7. RESOLUTION OF DIVIDENDS**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

"No dividends to be paid for the year ending 31 December 2020."

## **8. PRESENTATION OF THE ELECTION AUDITOR'S STATEMENT**

*Presented by Mr Simon Lance, Chairman, AustCham Shanghai*

*As elected by the AustCham Shanghai Voting Members on 18th June 2021.*

## **9. RESOLUTION TO ACCEPT THE ELECTION AUDITOR'S STATEMENT**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

"To adopt the 2021 Election Auditor's Statement as provided by Frances Gong, Regional Manager, CPA Australia."

## **10. RESOLUTION TO APPOINT THE GROUP AUDITOR**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

To receive, consider and, if thought fit, to

pass the following as an ordinary resolution:

“To appoint Fok Chan Leung Wan CPA Limited as Group Auditor for the audit of the consolidated Group accounts and the AustCham Hk Kg company accounts for the financial year ended 31st December 2021.”

#### **11. RESOLUTION TO RATIFY CHANGES TO THE COMPANY CONSTITUTION**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

“That the amendments to the Company Constitution in April 2020 to change the number of authorised directors from eleven to seven, and in June 2020 to change the number of authorised directors from seven to ten, be ratified.”

#### **12. RESOLUTION TO INCREASE THE NUMBER OF AUTHORISED DIRECTORS IN THE COMPANY CONSTITUTION**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

“That the number of authorised directors as per Clause 15 of the Company Constitution be increased to eleven.”

#### **13. RESOLUTION TO AMEND CLAUSE 4.1 OF THE MEMBERS CHARTER**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

“That Clause 4.1 of the Members Charter be amended to read:

*Board members shall be elected for the*

*nominated term at the Annual General Meeting by the corporate Voting Members of AustCham Shanghai.*

*The size of the Board will be determined in accordance with the Company’s Constitution. One director shall be an Executive Director and the remaining Board members will be Non-Executive Directors.*

*Eligibility to be a member of the Board, along with procedures for nominating and filling vacancies will be clearly stated in a document titled, “Nominations and Elections Process” and must be attached as a Schedule to the Members Charter.”*

#### **14. RESOLUTION TO AMEND CLAUSE 6 OF THE MEMBERS CHARTER**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

“That Clause 6.0 of the Members Charter be amended to read:

*With the exception of Clauses 2 and 3 of the Company Constitution, no alteration or additions to the Company Constitution shall be made except by passing of an ordinary resolution at the Annual General Meeting or an Extraordinary General Meeting. The exception to Clause 2 shall only apply where there are a change of details relating to the existing investor and not if there is a change of investor. The exception to Clause 3 shall only apply where there is a change to the legal address.”*

#### **15. RESOLUTION TO AMEND CLAUSE 8.5, SCHEDULE A OF THE MEMBERS CHARTER**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

“That Clause 8.5 of Schedule A of the Members Charter be amended to read:

At any General Meeting a resolution to put to the vote of the meeting will be decided on a show of hands, or by such electronic voting methods as the Board may determine from time to time. A declaration by the Chairman that a resolution has on a show of hands, or by confirmation of final electronic votes, been carried (either carried unanimously, or carried by a particular majority, or lost) will be conclusive evidence of the fact without further proof of the number or proportion of the votes recorded in favour of, or against such resolution.”

#### **16. RESOLUTION TO RATIFY AMEND CLAUSE 1.0, 1.1 OF SCHEDULE B OF THE MEMBERS CHARTER**

*Chaired by Mr Simon Lance, Chairman, AustCham Shanghai*

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

“That in the event resolution number 12 is not passed by members, Clause 1.0, 1.1 of Schedule B of the Members Charter be amended to read:

*The Board of Directors of the Company is comprised of nine (9) elected Non-Executive Directors and one (1) non-elected Executive Director (CEO).”*

Note: In the event that resolution number 12 is passed by the members, a motion to withdraw resolution number 16 will be put to the meeting.

# *Explanatory Notes*

The following notes have been prepared to assist members to better understand the business being considered at the 2021 Annual General Meeting of Ao Shang Hui Consulting (Shanghai) Co., Ltd (the “Company”) or (“AustCham Shanghai”).

AustCham Shanghai is a wholly owned subsidiary of AustCham Consulting Limited (“AustCham Hk Kg”), a Hong Kong incorporated company. Together they form the AustCham Shanghai Group (the “Group”). The shares in AustCham Hk Kg are held in trust by a nominee shareholder for the benefit of the members of AustCham Shanghai.

#### **ITEM 4: PRESENTATION OF THE 2020 AGM MINUTES**

The minutes of the previous year’s Annual General Meeting, approved by the Board of Directors at the first meeting after the AGM, shall be presented to the membership for noting.

#### **ITEM 5: PRESENTATION OF THE AUDITED GROUP CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with Clause fourteen of the Constitution of the Company, the shareholders have the power to examine and approve the reports of the Board of Directors of the Company.

The Annual Report circulated prior to the meeting includes the 2020 Audited Consolidated Financial Statements for the Group, the 2020 Group Audit Report and the 2021 Financial Forecast. Stand-

alone audited financial statements for the Company will be available at the meeting should members wish to view a copy. However it should be stressed that the figures from the stand-alone audited financial statements of the Company are included within the Audited Consolidated Financial Statements for the Group.

Members will be given a reasonable opportunity at the meeting to ask questions. The 2021 Annual Report will be circulated to members prior to the meeting and made available on the Company website ([www.austchamshanghai.com](http://www.austchamshanghai.com)).

Members shall also be provided with a financial update current as at 31 May 2021 at the meeting.

#### **ITEM 6: RESOLUTION TO ACCEPT THE 2021 ANNUAL REPORT**

In accordance with Clause 14 of the Company's Constitution, shareholders shall be provided with a reasonable opportunity to ask questions about the Annual Report. They will be presented with a proposal to accept the Annual Report, including: the 2020 Audited Consolidated Group Financial and Group Audit Report, the 2021 Financial Forecast, 2020 Directors Report and the Legal Counsel Report. The Annual Report also includes a statement on the Group's governance.

Subject to the passing of this resolution, and pursuant to the Declaration of Trust under which the shares in AustCham Hk Kg are held for the benefit of the members of AustCham Shanghai, a copy of the voting results on the resolution will be provided to the nominee shareholder of AustCham Hk Kg to pass a shareholders resolution approving the 2021 Annual Report.

The nominee shareholder will also be instructed to provide instruction to the

Board of AustCham Hk Kg to pass a shareholders resolution of AustCham Shanghai approving the 2020 Financial Statements of AustCham Shanghai.

#### **ITEM 7: RESOLUTION OF DIVIDENDS**

Pursuant to Division 6 of the AustCham Hk Kg Constitution, AustCham Hk Kg may declare dividends at the general meeting, but must not exceed the amount recommended by directors. Directors may also set aside any sum from the company profits for reserves before recommending any dividend. Members will be given a reasonable opportunity at the meeting to ask questions, before being asked to approve the resolution.

#### **ITEM 9: PRESENTATION OF THE ELECTION AUDITOR'S STATEMENT**

Under Clause 14 of the Company's Constitution, the shareholders shall elect and appoint directors of the Company. Members will be presented with the Election Auditor's Statement outlining the official election results.

Pursuant to the Declaration of Trust under which the shares in AustCham Hk Kg are held for the benefit of the members of AustCham Shanghai, following the AGM a copy of the election results will be provided to the nominee shareholder of AustCham Hk Kg along with an instruction to provide a formal instruction to AustCham Hk Kg to pass the necessary shareholder resolution of AustCham Shanghai effecting the changes to the composition of the Company's Board.

#### **ITEM 10: RESOLUTION TO APPOINT THE GROUP AUDITOR**

Pursuant to the External Audit section of the appendix to the Audit and Risk Committee Charter, the Committee is responsible

for advising the Board on the rotation of the external audit provider at intervals of approximately each five years or otherwise as appropriate.

Auditor rotation requirements are to ensure the maintenance of auditor independence as part of the overall Corporate Governance Framework.

The current Group Auditor has been responsible for the audit of the Group Consolidated Financial Accounts and the AustCham Hk Kg company accounts for the financial years 2016 to 2020 and therefore it is recommended that a new Group auditor is appointed for the audit of the Group Consolidated Financial Accounts and the AustCham Hk Kg company accounts for the year ended 31st December 2021 as part of auditor rotation rules.

#### **ITEM 11: RESOLUTION TO RATIFY CHANGES TO THE COMPANY CONSTITUTION**

As part of the Corporate Governance review initiated by the Board in 2020, it transpired that a shareholder resolution of the Company was passed in April 2020 amending the number of authorised directors in the Constitution from eleven to seven. A further shareholder resolution was passed in June 2020 increasing the number of authorised directors in the Constitution from seven to ten. Neither of these changes was put to a meeting of the members as required under Clause 6 of the Members Charter. The current number of directors authorised under the Company's Constitution is ten, of which nine are non-executive directors and one is an executive director.

The Board is seeking retrospective approval from members to approve these changes. Resolution number twelve to be put to the meeting seeks to change the number of

authorised directors permitted under the Company's Constitution back to eleven. It should be noted that the changes were legally compliant with PRC company law.

As part of the Corporate Governance review additional procedures have been introduced to prevent further changes to the Company's Constitution without the necessary approval from a meeting of the members.

#### **ITEM 12: RESOLUTION TO INCREASE THE NUMBER OF AUTHORISED DIRECTORS IN THE COMPANY CONSTITUTION**

Subject to the passing of resolution number eleven, this resolution aims to change the number of authorised directors under the Company's Constitution back to eleven to bring it in line with the number of authorised directors prior to the changes made in 2020.

In the event that resolution number eleven is not passed, a motion will be put to the meeting to withdraw resolution number twelve.

#### **ITEM 13: RESOLUTION TO AMEND CLAUSE 4.1 OF THE MEMBERS CHARTER**

Clause 4.1 of the Members Charter makes reference to there being eleven directors on the Board of the Company. To reduce the number of changes that may be required to Clause 4.1 of the Members Charter to reflect any future changes to the number of directors as approved by the members, the resolution seeks to remove the second paragraph of Clause 4.1 and add the following wording to the third paragraph of Clause 4.1:

*The size of the Board will be determined in accordance with the Company's*

Constitution. One director shall be an Executive Director and the remaining Board members will be Non-Executive Directors.

#### **ITEM 14: RESOLUTION TO AMEND CLAUSE 6 OF THE MEMBERS CHARTER**

Clause 6 restricts any changes to the Constitution of the Company without the passing of an ordinary resolution by members at an Annual General Meeting or Extraordinary General Meeting.

Clause 2 of the Constitution of the Company lists details relating to the registered address, nationality and name of a director of AustCham Hk Kg as the representative of the sole shareholder of AustCham Shanghai.

Clause 3 of the Constitution of the Company lists details of as to the Company's name and registered address.

To prevent the calling of a members meeting to approve changes to the Constitution of the Company for administrative purposes, such as the change of the named director or the change of registered address, the resolution seeks to authorise such changes to Clauses 2 and 3 without the need to call a meeting of the members.

Those exceptions do not apply to Clause 2 when there is a change of investor, and do not apply to Clause 3 where there is a change of legal name of the Company.

#### **ITEM 15: RESOLUTION TO AMEND CLAUSE 8.5, SCHEDULE A OF THE MEMBERS CHARTER**

The current wording of Clause 8.5 of Schedule A only allows for voting in person. Given the outbreak of COVID-19 in 2020, and the temporary restrictions on events and meetings, it is proposed to add the

wording, as indicated below, to facilitate the holding of members meetings should such restrictions on meetings be re-introduced in the future.

*At any General Meeting a resolution to put to the vote of the meeting will be decided on a show of hands, or by such electronic voting methods as the Board may determine from time to time. A declaration by the Chairman that a resolution has on a show of hands, or by confirmation of final electronic votes, been carried (either carried unanimously, or carried by a particular majority, or lost) will be conclusive evidence of the fact without further proof of the number or proportion of the votes recorded in favour of, or against such resolution."*

#### **ITEM 16: RESOLUTION TO AMEND CLAUSE 1.0, 1.1 OF SCHEDULE B OF THE MEMBERS CHARTER**

Clause 1.0, 1.1 of Schedule B of the Members Charter makes reference to there being eleven directors on the Board of the Company. In the event that resolution number twelve is not passed, this section of the Members Charter will need to be updated to reflect the number of directors currently authorised under the Company's Constitution.

In the event that resolution number twelve is passed, a motion will be put to the meeting that resolution number sixteen is withdrawn from the meeting.



# Voting Information

## **NOTE 1: ENTITLEMENT TO VOTE**

Any member may participate in debate specifically related to their membership category; however only Voting Members in good standing and registered to attend may vote at the Annual General Meeting.

Voting Members are Corporate Members and Platinum Corporate Members.

Each Voting Member nominates a Voting Member Representative who, if the Voting Member is in good standing, has the right to attend the AGM and vote. Each Voting Member is entitled to one vote for each motion.

In accordance with Clause 8.5 of Schedule B of the Members Charter, a resolution put to the vote at the meeting will be decided on by a show of hands. Decisions shall be passed by simple majority, except if otherwise provided in the Constitution. A declaration by the AGM Chairman that a resolution has been carried (either carried unanimously, or carried by a particular majority, or lost) will be conclusive evidence of the fact without further proof of the number or proportion of the votes recorded in favour of, or against such resolution. In case of a vote being tied, the Company Chairman will have the deciding vote.

Members may choose to waive their right to vote.

## **NOTE 2: PROXIES AND ABSENTEE VOTING**

Any eligible Voting Member may authorise

any other member to vote on their behalf at the Annual General Meeting. Notice of such proxy authorisation must be received in writing by the Company Secretary in advance of the meeting at which such proxy is to be voted. Alternatively, any eligible Voting Member may vote at the Annual General Meeting of the Company by absentee ballot.

A proxy must be:

- An employee of the Voting Member Company; or
- A representative or employee of another Member Company (not necessarily a Voting Member); or
- An Individual Member of AustCham Shanghai.

The Voting Member Representative must register the attendance of their proxy and the proxy must also register his or her attendance. The Deadline for the appointment of a proxy is exactly 24 hours prior to the start of the AGM.

It is the responsibility of the Voting Member Representative to instruct the duly appointed proxy to vote at the AGM.

On receipt of correctly completed proxy forms, the Company Secretary will acknowledge receipt and enter the details into the Record of Registered Proxies for the AGM.

A duly appointed proxy who is not a Voting Member Representative will have the same rights to speak and vote at General Meetings, just as a Voting Member Representative would.

Any Voting Member duly appointing a proxy shall either:

- Register a written preferred vote; or
- Allow the duly appointed proxy vote as informally instructed; or
- Allow the duly appointed proxy to

vote according to any other agreed way. A vote cast in accordance with the terms of the proxy appointment will be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid is received at the Company's registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **NOTE 3: QUORUM**

The quorum for an Annual General Meeting is 10% of Voting Members in Good Standing, including their proxies. Each absentee or proxy vote cast by eligible Voting Members and received by the Company Secretary will be counted in determining whether a quorum exists.

At exactly 24 hours prior to the start of the AGM, the Company Secretary will report the quorum for the AGM to the CEO and the Chairman of the Board.

The Company Secretary will not register the attendance of any Voting Member not considered to be in Good Standing. Any Member with monies outstanding for more than one (1) month from the date of the 2019 AGM are not considered to be in Good Standing. The calculation of one (1) month is 24 hours before the start of the AGM to the date exactly 30 days prior.

No business may be transacted unless a quorum of eligible Voting Members in Good Standing is present when the meeting proceeds to business. For business to continue the quorum must continue to be present until the conclusion of the meeting. Once a quorum is present and continues to be present (monitored), even if some Voting Members abstain from voting, the business of the AGM may proceed.

If a quorum is not present at the time set for AGM commencement, as stated in the Formal Invitation, the Company Secretary will monitor any new registrations and await arrivals until a quorum is present or until thirty (30) minutes has passed, whichever occurs soonest. If a quorum is not achieved within 45 minutes of the appointed commencement time, the meeting will be adjourned and reconvened at a time and place determined by the Board of Directors.

### **NOTE 4: CONDUCT AT THE ANNUAL GENERAL MEETING**

The Company Chairman, Chief executive Officer and Board Sub-Committee Chairs will generally answer questions on behalf of the Board of Directors and the management team. If questions cannot be answered at the meeting, the Company will seek to provide a response to the member as soon as possible after the AGM.

We ask that members:

- Are courteous and respectful to all attendees at the AGM.
- Keep questions to a reasonable length to allow as many members as possible to participate.
- Confine questions to matters being considered at the AGM and matters relevant to the membership as a whole.
- Do not make voice or video recordings of the AGM. If photographing the AGM, we ask members to be respectful to all attendees.





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