
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Beaver Group (Holding) Company Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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BEAVER GROUP (HOLDING) COMPANY LIMITED

永勤集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8275)

**MAJOR DISPOSAL
IN RELATION TO DISPOSAL OF ASSETS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used in this cover shall have the same meanings as defined in this circular.

A letter from the Board is set out on pages 5 to 10 of this circular.

A notice convening the EGM to be held at Units 1203B, 1204–1205, 12/F, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Friday, 23 April 2021 at 11:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend and vote at the EGM in person, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event no less than 48 hours before the time appointed for holding the EGM (i.e. 21 April 2021 at 11:00 a.m. (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and, in such event, the form of proxy shall be deemed to be revoked.

26 March 2021

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CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

PRECAUTIONARY MEASURES FOR THE EGM

In light of the COVID-19 pandemic, and to better protect the safety and health of the Shareholders and other participants attending the EGM, the Company will implement the following precautionary measures at the venue of the EGM (the “**Venue**”):

1. compulsory body temperature checks will be conducted on all persons attending the EGM at the waiting area outside the Venue before they are admitted to the Venue. Any person with a body temperature of over 37.3 degree Celsius, or who has any flulike symptoms, or is otherwise apparently unwell will not be admitted to the Venue;
2. all attendees must wear surgical face masks at all times inside the Venue or at the waiting area outside the Venue;
3. all attendees of the EGM are required to fill in a travel and health declaration form to confirm that (i) he/she has no flu-like symptoms within 7 days immediately before the EGM; and (ii) within 14 days immediately before the EGM: (a) he/she has not travelled outside of Hong Kong; (b) he/she is/was not under compulsory quarantine or medical surveillance order by the Department of Health of Hong Kong; (c) he/she has not had/has close contact with confirmed case(s) and/or probable case(s) of COVID19 patient(s); and (d) he/she does/did not live with any person under home quarantine. Any person who fails to provide the required confirmation may be requested to leave or denied entry into the Venue;
4. seating at the Venue will be arranged in a manner to allow for appropriate social distancing. As a result, there may be limited capacity for Shareholders to attend the EGM. The Company may limit the number of attendees at the EGM as may be necessary to avoid over-crowding;
5. any attendee who does not follow any of the abovementioned measures will be refused admission to the Venue or requested to leave the Venue;
6. no refreshments or drinks will be served at the EGM to avoid close contact of attendees;
7. all attendees are recommended to clean their hands with alcohol-based hand sanitizer before entering the Venue; and
8. other safe distancing measures as appropriate.

Shareholders are reminded that attendance at the EGM in person is not necessary for the purpose of exercising voting rights. The Shareholders may choose to vote by filling in and submitting the relevant proxy form of the EGM, and appoint the chairman of the meeting as a proxy to vote on the resolution at the EGM as instructed in accordance with the relevant proxy form instead of attending the EGM in person. For details, please refer to the proxy form of the EGM.

The Company will keep monitoring the evolving COVID-19 situation and may implement additional measures which, if any, will be announced closer to the date of the EGM.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the meanings as set out below:

“Announcement”	the announcement of the Company dated 26 February 2021
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“C3J Development”	C3J Development Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by Mr. Tang and the legal and beneficial owner of 18,700,000 Shares as at the Latest Practicable Date
“Company”	Beaver Group (Holding) Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of construction equipment including two reverse circulation drilling machines, two casing oscillators and one power pack
“EGM”	an extraordinary general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving, confirming and ratifying the Disposal and the transactions contemplated thereunder
“GEM”	GEM operated by the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Hunter Corporate”	Hunter Corporate Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by Mr. Chui and the legal and beneficial owner of 18,300,000 Shares as at the Latest Practicable Date
“Independent Third Party(ies)”	third parties independent of and not connected (within the meaning of the GEM Listing Rules) with the Company and its connected persons
“Latest Practicable Date”	24 March 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Mr. Chui”	Mr. Chui Koon Yau, an executive Director
“Mr. Tang”	Mr. Tang Kwai Leung Stanley, an executive Director and the chairman of the Board
“Sanroc”	Sanroc International (Hong Kong) Limited (善樂國際(香港)有限公司), a company incorporated in Hong Kong on 26 September 1996 with limited liability, an Independent Third Party
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in issue and unissued share capital of the Company
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Triangular Force”	Triangular Force Construction Engineering Limited (遜傑建築工程有限公司), a company incorporated in Hong Kong on 10 January 2008 with limited liability, which is an indirect wholly-owned subsidiary of the Company

LETTER FROM THE BOARD

BEAVER GROUP (HOLDING) COMPANY LIMITED

永勤集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8275)

Executive Directors:

Mr. Tang Kwai Leung Stanley (*Chairman*)

Mr. Chui Koon Yau

Independent non-executive Directors:

Mr. Cheung Chung Chuen George

Mr. Law Ching Ning Paschal

Registered office:

Windward 3, Regatta Office Park

PO Box 1350

Grand Cayman

KY1-1108

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Room 1204, 12/F, Block 2

Golden Industrial Building

16–26 Kwai Tak Street

Kwai Chung, New Territories

Hong Kong

26 March 2021

To the Shareholders

Dear Sir or Madam,

**MAJOR DISPOSAL
IN RELATION TO DISPOSAL OF ASSETS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement in relation to, among other things, the Disposal.

LETTER FROM THE BOARD

On 27 November 2020, Triangular Force as the seller, and Sanroc as the buyer, entered into a sales contract pursuant to which Triangular Force disposed of certain construction equipment including two reverse circulation drilling machines, two casing oscillators and one power pack, to Sanroc. Salient terms of the Disposal are set out as follow:

Date: 27 November 2020

Purchaser: Sanroc

To the best of the information, knowledge and belief, Sanroc is beneficially and wholly owned by Zhaobangji Properties Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1660), and each of Sanroc and its beneficial owner is an Independent Third Party. Sanroc is a company engaged in trading and leasing of construction machines.

Seller: Triangular Force, an indirect wholly-owned subsidiary of the Company

Subject matter: Construction equipment including two reverse circulation drilling machines, two casing oscillators and one power pack

Consideration: HK\$6,634,000 in aggregate

The consideration has been settled in cash by Sanroc on 27 November 2020. The consideration was determined after taking into account of (i) the book value of the machinery and equipment under the Disposal of approximately HK\$4,953,000; and (ii) the good condition of the machinery and equipment which warranted prices higher than their book values.

Completion: Completion took place on 27 November 2020 upon settlement of the consideration by Sanroc and thereafter the ownership of the construction equipment has been transferred to Sanroc.

The above machinery and equipment disposed of pursuant to the Disposal were used in the ordinary and usual course of business of the Group and were booked as assets in the consolidated accounts of the Company.

LETTER FROM THE BOARD

FINANCIAL EFFECT OF THE DISPOSAL

Upon completion of the Disposal, the non-current asset of the Company on a consolidated basis decreased by approximately HK\$4,953,000, being the book value of the machinery and equipment disposed of, and resulted in a gain on disposal of approximately HK\$1,681,000.

The net proceeds from the Disposal were HK\$6,634,000, which have been fully utilised as general working capital and for repayment of bank liabilities of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is a foundation contractor primarily specialising in bored piling works as well as other foundation works. The Group is also engaged in leasing of machinery.

The Disposal was carried out in order to dispose of the second-hand machinery and equipment of the Group which no longer suited the operation needs of the Group. The machinery and equipment under the Disposal were originally acquired by the Group in 2014 and 2015 respectively and given the wear and tear condition of these machinery and equipment, it is expected that the Group will incur additional repair and maintenance costs for the use of these machinery and equipment. As the Company has adopted a prudent policy in managing the Group's cash balances and implemented tightened cost control, the Company considered that these machinery and equipment no longer suited the operation needs of the Group and were disposed of by the Group under the Disposal.

The Directors (including the independent non-executive Directors) consider that the terms of the contract for the Disposal are on normal commercial terms and are fair and reasonable and that the Disposal is in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

The Disposal involved the sale of construction machinery and equipment used by the Group in its ordinary and usual course of business and was conducted on normal commercial terms with an Independent Third Party. However, the machinery and equipment under the Disposal were booked as assets and therefore the Disposal would have impact on the balance sheet of the Company. As such, the Disposal constituted a transaction of the Company under Chapter 19 of the GEM Listing Rules. The management of the Company, when conducting the Disposal, had been mistaken as to the relevant implication of the GEM Listing Rules and mistakenly believed that such actions were part of the Group's ordinary and usual course of business and were therefore exempted from compliance with any requirements under Chapter 19 of the GEM Listing Rules.

During the review of the third quarterly results of the Company for the nine months ended 31 December 2020, the Disposal was discovered by the Audit Committee, and it was noted that the same would have constituted a notifiable transaction of the Company under the GEM Listing Rules. After seeking advices and clarification of the transactions details, the Company accepted

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that the Disposal falls within the definition of a “transaction” under Rule 19.04(1) of the GEM Listing Rules and regrettably admitted that it had inadvertently breached Rules 19.34, 19.38 and 19.40 of the GEM Listing Rules.

As the highest relevant percentage ratio (as defined under the GEM Listing Rules) in respect of the Disposal exceeded 25% but all relevant percentage ratios were less than 75%, the Disposal constituted a major disposal on the part of the Company under the GEM Listing Rules and was subject to the notification, announcement, circular and shareholders’ approval requirements under Chapter 19 of the GEM Listing Rules.

The Company has obtained a written approval from each of C3J Development (being a shareholder holding 18,700,000 Shares) and Hunter Corporate (being a shareholder holding 18,300,000 Shares, and together with C3J Development, a total shareholding of 37,000,000 Shares, representing approximately 41.11% of the total issued share capital of the Company in aggregate) that they have approved the contract for the Disposal and the transactions contemplated thereunder and have undertaken that they will not dispose of their Shares and will remain the beneficial owners of the Shares up to and including the date of the EGM and will vote for the ordinary resolution in relation to the Disposal at the EGM. It is expected that the Company will obtain the Shareholders’ approval at the EGM.

In the event that Shareholders’ approval cannot be obtained at the EGM, the Company will use its best effort to liaise with Sanroc and subject to the consent of Sanroc, to unwind the transaction for the Disposal.

Remedial Measures

In order to prevent the occurrence of similar non-compliance incident in the future and to comply with the requirements under the GEM Listing Rules, the Company has taken or will take the following remedial actions:

- (i) the Company had immediately reviewed the disposals and acquisitions of its assets and checked whether it shall comply with any requirements under the GEM Listing Rules. Save as disclosed in the Announcement, all the disposals and acquisitions of assets were made in compliance with the requirements under the GEM Listing Rules;
- (ii) the Company has published the Announcement to inform the Shareholders of the details of, among other things, the Disposal;
- (iii) the Company has despatched this circular containing the details of the Disposal to the Shareholders and will convene the EGM for the Shareholders to approve, confirm and ratify the Disposal;
- (iv) the Company will issue a memorandum to the Board and the management of the Company which are responsible for operating the construction contracting business, reiterating that (a) any purchase or disposal of machinery and equipment, which are

LETTER FROM THE BOARD

accounted for as assets, should constitute a “transaction” for the purpose of Chapter 19 of the GEM Listing Rules; and (b) the management of the Company will only effect any purchase or disposal of machinery and equipment after having evaluated the implications of the GEM Listing Rules and ensuring the Company will be able to comply with the applicable requirements under the GEM Listing Rules, and in case of any doubt, the Company will consult external legal advisers, financial advisers and/or the Stock Exchange in advance.

GENERAL

Set out from pages EGM-1 to EGM-2 of this circular is the notice of the EGM containing, inter alia, the resolution approving, confirming and ratifying the contract for the Disposal and the transactions contemplated thereunder.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Disposal and the transactions contemplated thereunder and no Shareholder will be required to abstain from voting on the resolution to be proposed at the EGM.

A form of proxy for use at the EGM is also enclosed. If you are unable to attend the EGM in person, you are requested to complete and return the same to the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and, in any event no later than 48 hours before the time appointed for the holding of the EGM (i.e. at or before 11:00 a.m. on 21 April 2021 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

RECOMMENDATION

Based on the relevant information disclosed herein, the Directors (including the independent non-executive Directors) are of the opinion that the terms of the Disposal are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors would recommend the Shareholders to vote in favour of the resolution to approve, confirm and ratify the contract for the Disposal and the transactions contemplated thereunder.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

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

By order of the Board
Beaver Group (Holding) Company Limited
Tang Kwai Leung Stanley
Chairman and executive Director

1. FINANCIAL INFORMATION OF THE GROUP

Details of the audited financial information of the Group for each of the years ended 31 March 2018, 2019 and 2020 and the unaudited financial information of the Group for the three months ended 30 June 2020, six months ended 30 September 2020 and nine months ended 31 December 2020 are disclosed in the following annual reports of the Company for the years ended 31 March 2018, 2019 and 2020, first quarterly report of the Company for the three months ended 30 June 2020, interim report of the Company for the six months ended 30 September 2020 and the third quarterly report of the Company for the nine months ended 31 December 2020 respectively which have been published and are available on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.beavergroup.com.hk):

- (a) the annual report of the Company for the year ended 31 March 2018 published on 29 June 2018 (pages 53 to 113) in relation to the financial information of the Group for the same year

(<https://www1.hkexnews.hk/listedco/listconews/gem/2018/0629/gln20180629277.pdf>);

- (b) the annual report of the Company for the year ended 31 March 2019 published on 28 June 2019 (pages 65 to 139) in relation to the financial information of the Group for the same year

(<https://www1.hkexnews.hk/listedco/listconews/gem/2019/0628/gln20190628255.pdf>);

- (c) the annual report of the Company for the year ended 31 March 2020 published on 30 June 2020 (pages 63 to 129) in relation to the financial information of the Group for the same year

(<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0630/2020063000681.pdf>);

- (d) the first quarterly report of the Company for the three months ended 30 June 2020 published on 13 August 2020 in relation to the financial information of the Group for the same period

(<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0813/2020081300642.pdf>);

- (e) the interim report of the Company for the six months ended 30 September 2020 published on 13 November 2020 in relation to the financial information of the Group for the same period

(<https://www1.hkexnews.hk/listedco/listconews/gem/2020/1113/2020111300412.pdf>);

and

- (f) the third quarterly report of the Company for the nine months ended 31 December 2020 published on 11 February 2021 in relation to the financial information of the Group for the same period

(<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0211/2021021100406.pdf>).

2. STATEMENT OF INDEBTEDNESS

At the close of business on 31 January 2021, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following outstanding indebtedness:

(a) Borrowings

The Group had aggregate outstanding borrowings of approximately HK\$26,676,000 comprising:

- (i) Outstanding bank borrowings of approximately HK\$19,930,000, among which HK\$6,971,000 are secured by a charge over the insurance policies with a fair value of approximately HK\$8,415,000, and HK\$12,959,000 are unsecured;
- (ii) Other borrowings of approximately HK\$4,246,000 are secured by a charge over the property, plant and equipment with carrying amount of approximately HK\$12,597,000; and
- (iii) Unsecured loan from Mr. Chui, a Director who owns 100% of Hunter Corporate which is a Shareholder, of HK\$2,500,000.

Except for (i) the unsecured loan from Mr. Chui of HK\$2,500,000; and (ii) the unsecured bank borrowing of approximately HK\$3,101,000 which is guaranteed by the Government of the Hong Kong Special Administrative Region and personally guaranteed by Mr. Tang and Mr. Chui, being the executive Directors, all the bank and other borrowings are guaranteed by the Company. Bank and other borrowings that will be due for repayment after one year with repayment on demand clause were classified as current liabilities.

(b) Lease liabilities

The Group had lease liabilities of approximately HK\$1,834,000 in respect of finance leases for certain property, plant and equipment and approximately HK\$6,209,000 in respect of an operating lease under HKFRS 16 Lease. Lease liabilities of approximately HK\$643,000 in respect of finance leases are guaranteed by the Company.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, as at 31 January 2021, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this circular, the Group did not have any debt securities issued and outstanding, or authorised or otherwise created but unissued,

or other term loans, or other borrowings or indebtedness in the nature of borrowing of the Group including bank overdrafts on liabilities under acceptance or acceptance credits or hire purchase commitments or outstanding mortgages and charges, or contingent liabilities or guarantees.

The Directors have confirmed that there has been no material change in the indebtedness and contingent liabilities of the Group since 31 January 2021 up to the Latest Practicable Date.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that in the absence of unforeseeable circumstances, taking into account the financial resources available to the Group and the estimated net proceeds from the proposed rights issue as set out in the circular issued by the Company dated 27 February 2021, the Group will have sufficient working capital for its present requirements for at least the next twelve (12) months following the date of this circular.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 31 March 2020, being the date to which the latest published audited accounts of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company is an investment holding company. The Group is a foundation contractor primarily specialising in bored piling works as well as other foundation works. The Group is capable of installing bored piles with diameters ranging from 1.5 metres to 3 metres of various pile lengths. The Group has invested considerably in reinforcing its machinery and the Group possesses all necessary standard plant and machinery and equipment for its construction of bored piles. The Group is also engaged in leasing of machinery.

The Group's business in the provision of construction services in the construction industry has been confronting challenges under slower growth of the construction industry and intensified market competition. Revenue generated for the construction contract has decreased over the previous year caused by a decrease in awards of contracts during the year ended 31 March 2020.

Despite the underperformed result and stringent market environment of the construction industry, the Group will continue to deploy efforts in tendering for contracts, particularly contracts which yield higher margins in price and make concerted efforts in controlling and managing the contract and operating costs, in order to foster improvement in results of this business.

Looking forward to 2021, the Company still faces impacts arising from the outbreak of the COVID-19, unstable political and economic policies, fierce competition in Hong Kong's construction industry and other adverse factors. However, the Company believes there will be opportunities in the challenges. The Group will give sustained impetus to the growth of the Group from two aspects.

Firstly, the Company strives to improve its operational efficiency and better the profitability of its business by implementing tightened cost control. The Company is also actively seeking potential business opportunities that can widen the income streams and increase the return of Shareholders.

Secondly, the Company continues to put great efforts on talent cultivation. The speciality and quality of employees will have an important impact on the development of the Group.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or (ii) which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO, or (iii) otherwise which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors, were as follows:

Long positions in the Shares and the underlying Shares

Name	Capacity	Number of Shares held/ interested	Approximate percentage of shareholding
Mr. Tang	Interest of a controlled corporation (<i>Note (i)</i>)	18,700,000	20.78%
Mr. Chui	Interest of a controlled corporation (<i>Note (ii)</i>)	18,300,000	20.33%

Notes:

- (i) Mr. Tang legally and beneficially owns the entire issued share capital of C3J Development. Therefore, Mr. Tang is deemed, or taken to be, interested in all the Shares held by C3J Development for the purpose of the SFO. Mr. Tang is the sole director of C3J Development.
- (ii) Mr. Chui legally and beneficially owns the entire issued share capital of Hunter Corporate. Therefore, Mr. Chui is deemed, or taken to be, interested in all the Shares held by Hunter Corporate for the purpose of the SFO. Mr. Chui is the sole director of Hunter Corporate.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interest or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or (ii) which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO, or (iii) otherwise which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors.

(b) Interests of substantial Shareholders

So far as known to the Directors, as at the Latest Practicable Date, the following persons/corporations (not being Directors or chief executive of the Company) had or were deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO who, are directly or indirectly interested in 5% or more of the Shares:

Long positions in the Shares and the underlying shares

Name	Capacity	Number of Shares held/ interested	Approximate percentage of shareholding
C3J Development	Beneficial owner	18,700,000	20.78%
Ms. Lam Ka Yi (<i>Note (i)</i>)	Interest of spouse	18,700,000	20.78%
Hunter Corporate	Beneficial owner	18,300,000	20.33%
Ms. Wong Kit Chun (<i>Note (ii)</i>)	Interest of spouse	18,300,000	20.33%
China New Economy Fund Limited	Beneficial owner	8,505,000	9.45%

Notes:

- (i) Ms. Lam Ka Yi is the spouse of Mr. Tang. Mr. Tang legally and beneficially owns the entire issued share capital of C3J Development. Therefore, Ms. Lam Ka Yi is deemed, or taken to be, interested in all the Shares held by C3J Development for the purpose of the SFO.

- (ii) Ms. Wong Kit Chun is the spouse of Mr. Chui. Mr. Chui legally and beneficially owns the entire issued share capital of Hunter Corporate. Therefore, Ms. Wong Kit Chun is deemed, or taken to be, interested in all the Shares held by Hunter Corporate for the purpose of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons/corporations who had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, who are directly or indirectly interested in 5% or more of the Shares.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or controlling Shareholders or their respective associates had any business or interest which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group.

5. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

6. INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2020, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

7. MATERIAL CONTRACTS

Save as disclosed below, there had been no contract, not being a contract entered into in the ordinary course of business carried on or intended to be carried on by members of the Group, entered into by members of the Group after the date falling two years immediately preceding the date of the Announcement and up to the Latest Practicable Date:

- (a) the underwriting agreement dated 10 August 2020 entered into between the Company as issuer and Gransing Securities Co., Limited as underwriter in relation to the underwriting arrangement in respect of the rights issue conducted by the Company in October 2020;
- (b) the provisional sale and purchase contract and the formal contract dated 26 August 2020 and 9 February 2021 respectively entered into by TMP Machinery Engineering Limited, a wholly owned subsidiary of the Company as purchaser and International Automobiles Limited as seller in relation to the acquisition of a truck for construction material transportation in the consideration of approximately HK\$1,650,000;
- (c) contract dated 13 November 2020 entered into between Triangular Force as seller and Zenvick Engineering Services Limited as purchaser in relation to the disposal of one hydraulic drill rig with relevant accessories in the consideration of HK\$2,000,000;
- (d) contract dated 27 November 2020 entered into between Triangular Force as seller and Sanroc as purchaser in relation to the Disposal in the consideration of HK\$6,634,000; and
- (e) the placing agreement dated 25 January 2021 and entered into between the Company as issuer and Gransing Securities Co., Limited as placing agent in relation to the placing of unsubscribed rights shares in respect of the proposed rights issue announced by the Company in January 2021.

8. GENERAL

- (i) The English text of this circular shall prevail over the Chinese text in case of inconsistency.
- (ii) The company secretary of the Company is Ms. Yim Sau Ping, who has been a member and a fellow of the Hong Kong Institute of Certified Public Accountants since January 2010 and October 2017 respectively.
- (iii) The compliance officer of the Company appointed pursuant to Rule 5.19 of the GEM Listing Rules is Mr. Tang Kwai Leung Stanley, the chairman of the Board and an executive Director.

- (iv) The registered office of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and the head office and principal place of business of the Company in Hong Kong is located at Room 1204, 12/F, Block 2, Golden Industrial Building, 16–26 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong.
- (v) The Company’s Hong Kong branch share registrar is Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East Hong Kong.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company at Room 1204, 12/F, Block 2, Golden Industrial Building, 16–26 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong during normal business hours on any business day from the date of this circular up to and including the date of the EGM:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for each of the three financial years ended 31 March 2018, 2019 and 2020;
- (c) the first quarterly report of the Company for the three months ended 30 June 2020;
- (d) the interim report of the Company for the six months ended 30 September 2020;
- (e) the third quarterly report of the Company for the nine months ended 31 December 2020;
- (f) the letter from the Board, the text of which is set out on pages 5 to 10 of this circular;
- (g) the material contracts referred to in the paragraph headed “7. Material Contracts” of this appendix; and
- (h) this circular.

10. AUDIT COMMITTEE

As at the Latest Practicable Date, the Audit Committee comprised all of the independent non-executive Directors, namely Mr. Cheung Chung Chuen George and Mr. Law Ching Ning Paschal. The background, directorship and past directorship (if any) of each of the members of the Audit Committee are set out in the section headed “12. Particulars of the Directors and senior management” in appendix III to the circular of the Company dated 27 February 2021. The primary role and function of the Audit Committee are to oversee the Company’s relationship with the external auditors, to review the Group’s preliminary quarterly results, interim results and annual results and to monitor compliance with statutory and listing requirements.

NOTICE OF EGM

BEAVER GROUP (HOLDING) COMPANY LIMITED

永勤集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8275)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Beaver Group (Holding) Company Limited (the “**Company**”) will be held at Units 1203B, 1204–1205, 12/F, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Friday, 23 April 2021 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments the following resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the contract dated 27 November 2020 (the “**Sales Contract**”) (copy of which, signed by the chairman of the meeting for the purposes of identification, has been produced to the meeting marked “A”) entered into between Triangular Force Construction Engineering Limited, an indirect wholly-owned subsidiary of the Company, as vendor and Sanroc International (Hong Kong) Limited as purchaser in relation to, among others, the disposal of certain construction equipment including two reverse circulation drilling machines, two casing oscillators and one power pack, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) any one or more of the directors of the Company be and is/are hereby authorised to take all steps necessary or expedient in his/her/their opinion to implement and/or give effect to the Sales Contract and the transactions contemplated thereunder; and
- (c) any act done or documents executed (if necessary, under the common seal of the Company) by any directors of the Company in relation to or for the purpose of giving effect to the Sales Contract and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified.”

By order of the Board
Beaver Group (Holding) Company Limited
Tang Kwai Leung Stanley
Chairman and Executive Director

Hong Kong, 26 March 2021

NOTICE OF EGM

Registered office:

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman
KY1-1108
Cayman Islands

Principal place of business in Hong Kong:

Room 1204, 12/F, Block 2
Golden Industrial Building
16–26 Kwai Tak Street
Kwai Chung, New Territories
Hong Kong

Notes:

1. A member entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
 2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the Meeting (i.e. 11:00 a.m. on 21 April 2021) or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company ("Shareholder(s)") from attending in person and voting at the Meeting or any adjournment thereof, should he so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.
 3. A form of proxy for use at the Meeting is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.beavergroup.com.hk).
 4. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning or "extreme conditions after super typhoons" announced by the Government of Hong Kong is/are in effect any time after 7:00 a.m. on the date of the Meeting, the meeting will be postponed. The Company will post an announcement on the websites of the Company at www.beavergroup.com.hk and the Stock Exchange at www.hkexnews.hk to notify members of the date, time and place of the rescheduled meeting.
 5. Due to the on-going COVID-19 pandemic, to safeguard the health and safety of the Shareholders, the Company will implement the following precautionary measures at the Meeting:
 - compulsory body temperature checks and health declarations for all attendees
 - compulsory wearing of a surgical face mask for each attendee throughout the Meeting
 - no distribution of corporate gift nor provision of refreshment
- Any Shareholders or their proxies who does not comply with these precautionary measures may be denied entry into the Meeting venue. Shareholders are reminded that, in order to avoid attending the meeting in person, they may appoint the chairman of the meeting as their proxy to vote on the resolution at the Meeting in accordance with the voting preferences indicated on the enclosed proxy form.
6. The record date for determining the entitlement of the Shareholders to attend and vote at the Meeting will be 19 April 2021. All transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on 19 April 2021.