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If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in Beijing Enterprises Holdings Limited, you should at once hand this circular to the purchaser or the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 392)

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS
GENERAL MANDATES TO BUY BACK AND ISSUE SHARES
ADOPTION OF NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Beijing Enterprises Holdings Limited to be held at 66th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Thursday, 11 June 2015 at 3:00 p.m. is set out on pages 35 to 38 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of Beijing Enterprises Holdings Limited (www.behl.com.hk).

Whether or not you are able to attend the annual general meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Share Registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Forms of proxy returned electronically or by any other data transmission process will not be accepted. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

12 May 2015

CONTENTS

	<i>Page</i>
Definitions	1
 Letter from the Board	
1. Introduction	3
2. Re-election of Retiring Directors	4
3. Buy-back and Issuance Mandates	4
4. Adoption of New Articles of Association	5
5. Annual General Meeting and Proxy Arrangement	6
6. Recommendation	6
7. General Information	6
 Appendix I – Explanatory Statement on the Buy-back Mandate	
	7
 Appendix II – Procedure for conducting a poll at the Annual General Meeting pursuant to the Listing Rules	
	10
 Appendix III – Details of the Retiring Directors proposed to be re-elected at the Annual General Meeting	
	11
 Appendix IVA – Summary of Major Changes to the Constitution of the Company	
	17
 Appendix IVB – Summary of Principal Provisions of the New Articles of Association	
	21
 Notice of Annual General Meeting	 35

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	an annual general meeting of the Company to be held at 66th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Thursday, 11 June 2015 at 3:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 35 to 38 of this circular, or any adjournment thereof
“Board”	the board of Directors
“Buy-back Mandate”	as defined in paragraph 3(a) of the Letter from the Board
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Company”	Beijing Enterprises Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Current Articles of Association”	the current articles of association of the Company including amendments up to 27 June 2006
“Director(s)”	the director(s) of the Company
“Group”	The Company and its subsidiaries from time to time
“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
“Issuance Mandate”	as defined in paragraph 3(b) of the Letter from the Board
“Latest Practicable Date”	6 May 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Articles of Association”	the new articles of association of the Company to be considered and approved for adoption by the Shareholders at the Annual General Meeting
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	holder(s) of Share(s)
“Shares”	ordinary share(s) in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buybacks issued by the Securities and Futures Commission in Hong Kong

LETTER FROM THE BOARD



北京控股有限公司

BEIJING ENTERPRISES HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 392)

Executive Directors:

Wang Dong (*Chairman*)
Hou Zibo (*Vice Chairman*)
Zhou Si (*Vice Chairman and CEO*)
Li Fucheng (*Vice Chairman*)
Li Yongcheng
E Meng (*Executive Vice President*)
Jiang Xinhao (*Vice President*)
Tam Chun Fai (*CFO and Company Secretary*)

Registered Office:

66th Floor
Central Plaza
18 Harbour Road
Wanchai
Hong Kong

Non-executive Director:

Guo Pujin

Independent Non-executive Directors:

Wu Jiesi
Lam Hoi Ham
Fu Tingmei
Sze Chi Ching
Shi Hanmin
Yu Sun Say

12 May 2015

To the shareholders

Dear Sir/Madam,

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS
GENERAL MANDATES TO BUY BACK AND ISSUE SHARES
ADOPTION OF NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) re-election of retiring Directors; (ii) the granting of the Buy-back Mandate to the Directors; (iii) the granting of the Issuance Mandate to the Directors; (iv) the extension of the Issuance Mandate by adding to it the aggregate number of the issued Shares bought back by the Company under the Buy-back Mandate; and (v) the adoption of New Articles of Association.

LETTER FROM THE BOARD

2. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to the Current Articles of Association and the Listing Rules, Messrs. Wang Dong, Jiang Xinhao, Wu Jiesi, Lam Hoi Ham, Sze Chi Ching and Shi Hanmin will retire by rotation from office as Directors at the Annual General Meeting and being eligible, offer themselves for re-election. Details of the retiring Directors (the “Retiring Directors”) required to be disclosed under the Listing Rules are set out in Appendix III to this circular.

Independent non-executive Directors Messrs. Wu Jiesi, Lam Hoi Ham, Sze Chi Ching and Shi Hanmin each has given a confirmation of his independence (“Independence Confirmation”) to the Company. The Nomination Committee has assessed and reviewed each Independence Confirmation based on the independence criteria as set out in Rule 3.13 of the Listing Rules and considers them to be independent and believes that they should be re-elected.

Mr. Wu Jiesi has served on the Board for more than 9 years. As an independent non-executive Director with extensive experience and knowledge in finance and management, Mr. Wu has expressed views and given independent guidance to the Company over the years. The Nomination Committee considers that the long service of Mr. Wu would not affect his exercise of independent judgement and is satisfied that Mr. Wu has the required character, integrity and experience to continue fulfilling the role of an independent non-executive Director. The Board considers that the re-election of Mr. Wu as Director is in the best interest of the Company and Shareholders as a whole.

3. BUY-BACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 18 June 2014, general mandates were given to the Directors to exercise the powers of the Company to buy back shares of the Company and to issue new shares of the Company respectively. Such mandates will lapse at the conclusion of the 2015 Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to buy back Shares on the Stock Exchange not exceeding 10% of the total number of shares of the Company in issue on the date of passing of such resolution, i.e. a maximum of 128,435,027 Shares on the basis that no further Shares will be issued or bought back prior to the date of the Annual General Meeting (the “Buy-back Mandate”);

LETTER FROM THE BOARD

- (b) to allot, issue or deal with Shares of not exceeding 20% of the total number of shares of the Company in issue on the date of passing of such resolution, i.e. a maximum of 256,870,054 Shares on the basis that no further Shares will be issued or bought back prior to the date of the Annual General Meeting (the “Issuance Mandate”); and
- (c) to extend the Issuance Mandate by an amount representing the number of the Shares bought back by the Company pursuant to and in accordance with the Buy-back Mandate.

The Buy-back Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in ordinary resolutions nos. 5 and 6 set out in the notice of the Annual General Meeting. With reference to the Buy-back Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to buy back or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buy-back Mandate. The explanatory statement as required by the Listing Rules in connection with the Buy-back Mandate is set out in the Appendix I to this circular.

4. ADOPTION OF NEW ARTICLES OF ASSOCIATION

To modernise and update the constitution document of the Company to bring it in line with the relevant legislations and regulations, especially the new Companies Ordinance which came into force on 3 March 2014, the Board proposes to seek Shareholders’ approval, by way of a special resolution at Annual General Meeting, to adopt the New Articles of Association to substitute the existing memorandum and Current Articles of Association of the Company and to delete the object clauses contained therein.

A summary of major changes to the constitution of the Company and a summary of the principal provisions of the New Articles of Association are set out in Appendices IVA and IVB to this circular, respectively.

Shareholders are advised that the New Articles of Association are prepared in English language and the Chinese translation is only for reference purpose. In case of any inconsistency, the English version shall prevail.

LETTER FROM THE BOARD

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 35 to 38 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, re-election of the Retiring Directors, the granting of the Buy-back Mandate, the granting of the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the number of Shares bought back pursuant to the Buy-back Mandate, and the adoption of New Articles of Association.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.behl.com.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Share Registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Forms of proxy sent electronically or by any other data transmission process will not be accepted. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

6. RECOMMENDATION

The Directors consider that the proposals referred to above are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix I (Explanatory Statement on the Buy-back Mandate), Appendix II (Procedure for conducting a poll at the Annual General Meeting pursuant to the Listing Rules), Appendix III (Details of the Retiring Directors proposed to be re-elected at the Annual General Meeting), Appendix IVA (Summary of Major Changes to the Constitution of the Company) and Appendix IVB (Summary of Principal Provisions of the New Articles of Association) to this circular.

Yours faithfully,
By Order of the Board
Wang Dong
Chairman

APPENDIX I EXPLANATORY STATEMENT ON THE BUY-BACK MANDATE

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Buy-back Mandate.

1. REASONS FOR SHARE BUY-BACKS

Although the Directors have no present intention of buying back any Shares, they believe that the flexibility afforded by the Buy-back Mandate would be beneficial to the Company and the Shareholders. Trading conditions on the Stock Exchange have sometimes been volatile in recent years. At any time in the future when Shares are trading at a discount to their underlying value, the ability of the Company to buy back Shares will be beneficial to the Shareholders who retain their investment in the Company since their percentage interest in the assets of the Company would increase in proportion to the number of Shares bought back by the Company and thereby resulting in an increase in net assets and/or earnings per Share of the Company. Such share buy-backs will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders.

2. SHARE CAPITAL

As at the Latest Practicable Date, the total number of shares of the Company in issue was 1,284,350,268.

Subject to the passing of the ordinary resolution no. 5, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 128,435,027 Shares on the basis that no further Shares will be issued or bought back prior to the date of the Annual General Meeting.

3. FUNDING OF SHARE BUY-BACKS

In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with its articles of association (as amended from time to time) and the Companies Ordinance. The Companies Ordinance provides that the amount of capital repaid in connection with a share buy-back may only be paid from the distributable profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the buy-back to such extent allowable under the Companies Ordinance.

APPENDIX I EXPLANATORY STATEMENT ON THE BUY-BACK MANDATE

4. IMPACT OF SHARE BUY-BACKS

There might be adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the Annual Report for the year ended 31 December 2014) in the event that the Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. The number of Shares to be bought back on any occasion and the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

5. TAKEOVERS CODE

If, on the exercise of the power to buy back Shares pursuant to the Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Beijing Enterprises Group Company Limited, the Company's controlling Shareholder, was interested in 779,030,288 Shares, representing approximately 60.66% of the total number of shares of the Company in issue. On the basis that no Shares are issued or bought back prior to the date of the Annual General Meeting, in the event that the Directors exercise in full the power to buy back Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the Annual General Meeting, the interests of Beijing Enterprises Group Company Limited in the issued Shares would be increased to approximately 67.40% of the total number of shares of the Company in issue. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any buy-backs to be made under the Buy-back Mandate.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) presently intends to sell any Shares to the Company in the event that the granting of the Buy-back Mandate is approved by the Shareholders.

APPENDIX I EXPLANATORY STATEMENT ON THE BUY-BACK MANDATE

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make buy-backs of Shares pursuant to the Buy-back Mandate in accordance with the Listing Rules and the Companies Ordinance.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2014		
May	70.55	66.30
June	71.20	64.95
July	75.70	68.00
August	74.80	66.65
September	76.45	66.45
October	71.75	64.65
November	68.00	61.65
December	64.20	57.65
2015		
January	62.90	57.90
February	62.30	59.00
March	59.90	56.65
April	62.60	56.70
May (Up to the Latest Practicable Date)	71.95	70.75

8. BUY-BACKS OF SHARES MADE BY THE COMPANY

During the last six months preceding the Latest Practicable Date, the Company had not repurchased any shares of the Company (whether on the Stock Exchange or otherwise).

**APPENDIX II PROCEDURE FOR CONDUCTING A POLL AT THE ANNUAL
GENERAL MEETING PURSUANT TO THE LISTING RULES**

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in the notice of the Annual General Meeting will be decided by poll except where the chairman of the meeting of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by show of hands. The chairman of the meeting will at the Annual General Meeting demand, pursuant to Article 75 of the Current Articles of Association, poll voting on all resolutions set out in the notice of the Annual General Meeting.

On a poll, pursuant to Article 81 of the Current Articles of Association, subject to any special rights or restrictions as to voting for the time being attached to any Shares and to the provisions of the Current Articles of Association, every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy, shall have one vote for every Share of which he/she is the holder.

A Shareholder present in person or by proxy or by authorised representative who is entitled to more than one vote does not have to use all his/her votes (ie, he/she can cast less votes than the number of Shares he/she holds or represents) or to cast all his/her votes the same way (ie, he/she can cast some of his/her votes in favour of the resolution and some of his/her votes against the resolution).

After closure of the Annual General Meeting, the poll results will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.behl.com.hk).

APPENDIX III DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Details of the Retiring Directors who will be proposed to be re-elected at the Annual General Meeting are provided below.

(1) MR. WANG DONG

Experience

WANG Dong, aged 49, is Executive Director and Chairman of the Board of the Company as well as Chairman of Beijing Enterprises Group Company Limited. Mr. Wang graduated from Mining Mechanical Engineering Faculty of Beijing Institute of Iron and Steel in 1986, holds a master degree in Public Administration from People's University of China and the title of Senior Engineer. Mr. Wang has held various senior positions in many large and medium size state-owned enterprises. From 2001 to 2008, Mr. Wang served as the Deputy General Manager, subsequently the Executive Deputy General Manager and finally the Chairman of BBMG Group Company Limited. From 2008 to 2009, he served as Head of the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality. Mr. Wang has extensive experience in corporate management, finance and state-owned assets supervision. Mr. Wang joined the Group in August 2009.

Length of service

The Company has not entered into any director's service contract with Mr. Wang but has entered into a letter of appointment with him. Although the letter of appointment is valid for 3 years from 1 April 2015, Mr. Wang is subject to retirement by rotation and shall offer himself for re-election in general meetings in accordance with the Company's articles of association.

Relationships

Other than the relationship arising from his being a director of the Company, Mr. Wang does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As at the Latest Practicable Date, Mr. Wang is not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Director's remuneration

Mr. Wang is entitled to receive director's fees determined by the Board with reference to prevailing market rate. His director's fees are currently fixed at HK\$180,000 per annum.

Directorships

Saved as disclosed above, Mr. Wang held no other directorships in listed public companies in the last three years.

Others

Mr. Wang does not have any information which is required to be disclosed under Rules 13.51(2)(h)-(v) of the Listing Rules. Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Company's shareholders.

(2) MR. JIANG XINHAO**Experience**

JIANG Xinhao, aged 50, is the Executive Director and Vice President of the Company. Mr. Jiang also serves as Vice General Manager of Beijing Enterprises Group Company Limited, an Executive Director of Beijing Enterprises Water Group Limited (stock code: 371) and Beijing Properties (Holdings) Limited (stock code: 925). Mr. Jiang graduated from Fudan University in 1987 with a bachelor's degree in law, then he served as a Policy Analyst of the Chinese State Commission of Restructuring Economic System from 1987 to 1989. In 1992, he was granted a master's degree in law. Mr. Jiang was a lecturer at Peking University between 1992 and 1994. From 1995 to 1997, Mr. Jiang was a Deputy General Manager of Jingtai Finance Company in Hong Kong, and subsequently a Director and Vice President of BHL Industrial Investment Company. From 1997 to February 2005, Mr. Jiang was a Director and the Chief Executive Officer of Tramford International Limited, a public company listed on Nasdaq. Mr. Jiang was a Manager of the investment development department of Beijing Holdings Limited and a General Manager of Beijing BHL Investment Center between May 2000 and February 2005. Mr. Jiang has extensive experience in economics, finance and corporate management. Mr. Jiang joined the Group in February 2005.

Length of service

The Company has not entered into any director's service contract with Mr. Jiang but has entered into a letter of appointment with him. Although the letter of appointment is valid for 3 years from 1 April 2015, Mr. Jiang is subject to retirement by rotation and shall offer himself for re-election in general meetings in accordance with the Company's articles of association.

Relationships

Other than the relationship arising from his being a director of the Company, Mr. Jiang does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As at the Latest Practicable Date, Mr. Jiang is interested in 20,000 ordinary shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Director's remuneration

Mr. Jiang is entitled to receive director's fees determined by the Board with reference to prevailing market rate. His director's fees are currently fixed at HK\$150,000 per annum.

Directorships

Saved as disclosed above, Mr. Jiang held no other directorships in listed public companies in the last three years.

Others

Mr. Jiang does not have any information which is required to be disclosed under Rules 13.51(2)(h)-(v) of the Listing Rules. Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Company's shareholders.

(3) MR. WU JIESI**Experience**

WU Jiesi, aged 63, is Independent Non-executive Director of the Company. Mr. Wu holds a doctorate degree in Economics, and he also serves as Independent Non-executive Director of China Taiping Insurance Holdings Company Limited (stock code: 966), China Citic Bank International Limited as well as Industrial and Commercial Bank of China (Asia) Limited; Non-executive Director of Shenzhen Investment Limited (stock code: 604) and Silver Base Group Holdings Limited (stock code: 886); and Independent Director of China Life Franklin Asset Management Co., Limited. He conducted post-doctoral research work in theoretical economics at the Nankai University in the PRC and was conferred the professorship qualification by the Nankai University in 2001. During the period from 1984 to 1995, Mr. Wu worked at the Industrial and Commercial Bank of China in a number of positions, including as the President of Shenzhen Branch. From 1995 to 1998, Mr. Wu was Vice Mayor of Shenzhen Municipal Government and from 1998 to 2000 he was the assistant to the Governor of Guangdong province. He was the Chairman of Guangdong Yue Gang Investment Holdings Company Limited and GDH Limited, the Honorary President of Guangdong Investment Limited and Guangdong Tannery Limited, and the managing director and chief executive officer of Hopson Development Holdings Limited. From September 2005 to July 2011, he was Independent Non-executive Director of China Merchants Bank Co., Ltd. (stock code: 3968). Mr. Wu was Non-executive Director and Vice Chairman of China Aoyuan Property Group Limited (stock code: 3883), Non-executive Director of China Water Affairs Group Limited (stock code: 855), and Independent Director of China Merchants Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange with stock code: 600999). He has extensive experience in finance and management. Mr. Wu joined the Group in July 2004.

Length of service

The Company has not entered into any director's service contract with Mr. Wu but has entered into a letter of appointment with him. Although the letter of appointment is valid for 3 years from 1 April 2015, Mr. Wu is subject to retirement by rotation and shall offer himself for re-election in general meetings in accordance with the Company's articles of association.

Relationships

Other than the relationship arising from his being a director of the Company, Mr. Wu does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As at the Latest Practicable Date, Mr. Wu is not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Director's remuneration

Mr. Wu is entitled to receive director's fees determined by the Board with reference to prevailing market rate. His director's fees are currently fixed at HK\$216,000 per annum.

Directorships

Saved as disclosed above, Mr. Wu held no other directorships in listed public companies in the last three years.

Others

Mr. Wu does not have any information which is required to be disclosed under Rules 13.51(2)(h)-(v) of the Listing Rules. Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Company's shareholders.

**APPENDIX III DETAILS OF THE RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

(4) MR. LAM HOI HAM, *Justice of Peace*

Experience

LAM Hoi Ham, aged 76, is the Independent Non-executive Director of the Company. Mr. Lam was graduated from the faculty of economics of The University of Hong Kong, is the founder of the accounting firm H H Lam & Co., and is a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Lam was granted Medal of Honour by The Hong Kong Government in 1994 and was appointed a Justice of the Peace in 1997. Mr. Lam previously served as a Standing Committee member of the 10th and 11th National Committee of the Chinese People's Political Consultative Conference of the People's Republic of China of Beijing City and currently serves as its Senior Consultant. He is now the vice chairman of Beijing Overseas Friendship Association and a committee member of Beijing Health Department Overseas Friendship Association, etc. Mr. Lam joined the Group in March 2008.

Length of service

The Company has not entered into any director's service contract with Mr. Lam but has entered into a letter of appointment with him. Although the letter of appointment is valid for 3 years from 1 April 2015, Mr. Lam is subject to retirement by rotation and shall offer himself for re-election in general meetings in accordance with the Company's articles of association.

Relationships

Other than the relationship arising from his being a director of the Company, Mr. Lam does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As at the Latest Practicable Date, Mr. Lam is not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Director's remuneration

Mr. Lam is entitled to receive director's fees determined by the Board with reference to prevailing market rate. His director's fees are currently fixed at HK\$216,000 per annum.

Directorships

Saved as disclosed above, Mr. Lam held no other directorships in listed public companies in the last three years.

Others

Mr. Lam does not have any information which is required to be disclosed under Rules 13.51(2)(h)-(v) of the Listing Rules. Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Company's shareholders.

**APPENDIX III DETAILS OF THE RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

(5) **MR. SZE CHI CHING**, *Justice of Peace*

Experience

SZE Chi Ching, aged 75, is the Independent Non-executive Director of the Company. Mr. Sze obtained an honorary doctorate degree in social sciences from City University of Hong Kong in 2008. He previously served as Hong Kong Affairs Advisor to the State Council, vice chairman of All-China Federation of Industry and Commerce, standing committee member of the Chinese People's Political Consultative Conference of Fujian Province, member of China Trade Advisory Board of Hong Kong Trade Development Council, member of the 8th, 9th, 10th and 11th Committee of Chinese People's Political Consultative Conference; associate director of the Committee for Learning and Cultural and Historical Data of the Committee of the People's Political Consultative Conference; vice chairman of China Civilian Chamber of Commerce. He is currently committee member of China Federation of Literary, director of China Calligraphers Association, chairman of Hong Kong Branch of Chinese Calligraphers Association, chairman of the board of Hang Tung Resources Holding Limited, and honorary president of the Hong Kong Fujian Chamber of Commerce. He has been appointed as vice chairman and a visiting professor of Huaqiao University, a part-time professor of the Chinese Department of Xiamen University, consulting professor of Peking University, executive director of the Board of Trustees of Jimei University, etc. Mr. Sze joined the Group in March 2013.

Length of service

The Company has not entered into any director's service contract with Mr. Sze but has entered into a letter of appointment with him. Although the letter of appointment is valid for 3 years from 28 March 2013, Mr. Sze is subject to retirement by rotation and shall offer himself for re-election in general meetings in accordance with the Company's articles of association.

Relationships

Other than the relationship arising from his being a director of the Company, Mr. Sze does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As at the Latest Practicable Date, Mr. Sze is not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Director's remuneration

Mr. Sze is entitled to receive director's fees determined by the Board with reference to prevailing market rate. His director's fees are currently fixed at HK\$216,000 per annum.

Directorships

Saved as disclosed above, Mr. Sze held no other directorships in listed public companies in the last three years.

Others

Mr. Sze does not have any information which is required to be disclosed under Rules 13.51(2)(h)-(v) of the Listing Rules. Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Company's shareholders.

(6) MR. SHI HANMIN**Experience**

SHI Hanmin, aged 65, is the Independent Non-executive Director of the Company. Mr. Shi is a senior engineer graduated from the Basic Organic Chemical Engineering Faculty of Beijing Institute of Chemical Technology in 1974. From 1978 to 2010, he worked with Beijing Municipal Environmental Protection Bureau. During his tenure, he served as director from 2002 to 2010 and was appointed as environmental expert of the World Expo 2010 by the Shanghai Municipal Government in 2009. Mr. Shi also serves as representative of the 10th Communist Party Congress of Beijing, standing committee member of the 11th Chinese People's Political Consultative Conference of Beijing and deputy director of the Committee of Environment and Resources. Mr. Shi joined the Group in March 2013.

Mr. Shi has engaged himself in the regime of environmental protection for over 30 years, and has proactively made contributions to fulfill the environmental commitment of "Green Olympic" during the course of preparing for and holding Beijing Olympics. He obtained the honorary titles of "The Advanced Individual of The Beijing Olympics and Paralympics" granted by the CPC Central Committee and the State Council in 2008 in succession. He was also awarded the first "Kong Ha Award" in the same year as recognition of his outstanding contributions to the air quality improvement and the fulfillment of the "Green Olympic" commitment in Beijing. In 2009, under the leadership of Mr. Shi, the International Olympic Committee and the United Nations Environment Programme co-hosted the 8th World Congress of Sports and Environment in Canada and the first "Sports and Environment" prize was awarded to Beijing.

Length of service

The Company has not entered into any director's service contract with Mr. Shi but has entered into a letter of appointment with him. Although the letter of appointment is valid for 3 years from 28 March 2013, Mr. Shi is subject to retirement by rotation and shall offer himself for re-election in general meetings in accordance with the Company's articles of association.

Relationships

Other than the relationship arising from his being a director of the Company, Mr. Shi does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As at the Latest Practicable Date, Mr. Shi is not interested in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Director's remuneration

Mr. Shi is entitled to receive director's fees determined by the Board with reference to prevailing market rate. His director's fees are currently fixed at HK\$216,000 per annum.

Directorships

Saved as disclosed above, Mr. Shi held no other directorships in listed public companies in the last three years.

Others

Mr. Shi does not have any information which is required to be disclosed under Rules 13.51(2)(h)-(v) of the Listing Rules. Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Company's shareholders.

Set out below is a summary of major changes to the constitution of the Company and the effect of such change resulting from the proposed adoption of the New Articles of Association:

Major Change	Effect of change
Substitution of the existing memorandum and Current Articles of Association of the Company by the New Articles of Association and abandonment of object clause	The existing memorandum and Current Articles of Association of the Company is substituted by the New Articles of Association, which becomes the single constitutional document of the Company. The memorandum of association of the Company, together with the object clause contained therein, is deleted in its entirety, and certain provisions, such as name of the Company, liability of its members, its share capital and initial shareholdings, are included in the New Articles of Association.
No power to issue stocks or bearer share warrants	<p>The power of the Company to convert its Shares into stocks is removed. Provisions in relation to issue of stocks and conversion of Shares into stock are removed from the New Articles of Association.</p> <p>The power of the Company to issue share warrants to bearer is removed. Provisions in relation to issue of share warrants to bearer are removed from the New Articles of Association.</p>
Abolition of par value of Shares	References to par value of Shares are removed from the New Articles of Association. As a result, references to related concepts, for instances, authorised share capital, share premium, issuance of shares at a discount, subscription right reserve account and share premium account etc. are removed throughout the New Articles of Association.

Major Change	Effect of change
Reasons be given for refusal to register a transfer	If the Board refuses to register a transfer of any shares, the transferor or transferee may request a statement of the reasons for the refusal and the Board shall, within 28 days or such longer period as required by applicable laws, rules or regulations after receiving such request, send to the transferor or transferee who made the request such statement or register the transfer.
Court free procedure for reduction of capital	The Company will be enabled to reduce its share capital by special resolution subject to compliance with certain requirements, without seeking court approval. The Company may by special resolution reduce its share capital in accordance with the requirements set out in Division 3 of Part 5 and/or any other applicable provisions of the Companies Ordinance.
Notice for general meetings	Other than annual general meeting which shall be called by 21 days' notice in writing, all other general meetings shall be called by 14 day's notice in writing. There is no specific notice requirement for calling a general meeting where a special resolution will be passed.
Minimum shareholding requirement for demanding a poll reduces to 5%	The minimum shareholding requirement for demanding a resolution to be decided by poll is reduced from 10% to 5% of the total voting rights of all the members of the Company having the right to vote at a general meeting.
Minimum number of members requirement for demanding a poll increases to five members	The minimum number of members requirement for demanding a resolution to be decided by poll is increased from three members to five members.

Major Change**Effect of change**

Use of seal and execution of documents

Unless the Board resolved otherwise, the Board shall provide for safe custody of the seal which shall be used by the authority of the Board or a committee of the Board authorised in that behalf.

A document signed, with the authority of a resolution of the Directors, by any two Directors or any one Director together with the company secretary or otherwise executed in accordance with section 127(3) of the Companies Ordinance and expressed, in whatever words, to be executed by the Company as a deed, shall have the same effect as if executed under the seal.

Communication with the Company

Any notice, document or information given or issued by or on behalf of the Company may be served on, delivered or made available by the Company to any person by post, by hand, by electronic means or by website.

If by post, the notice, document or information is deemed to have been served on the second business day or such earlier day as permitted under applicable laws, rules or regulations following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in proving such service.

If by hand, the notice is deemed to be served at the time when it is delivered.

If by electronic means, the notice, document or information is deemed to have been received at the end of the period of 24 hours after it is being sent or supplied (or such longer period as required under the applicable laws, rules or regulations), provided that no contrary is proved.

Major Change**Effect of change**

If by website, the notice, document or information is deemed to have been received at the end of the period of 24 hours after it is first made available on the website or after receipt by the recipient of the notice of posting on the website sent by the Company (if applicable) (or such longer period as required under the applicable laws, rules or regulations), whichever is the later.

Holding of general meeting at
two or more location

The Board may, at its absolute discretion, arrange for the Shareholders to attend a general meeting by simultaneous attendance and participation at meeting location(s) using electronic means at such location or locations in any part of the world as the Board may, at its absolute discretion, designate.

A summary of principal provisions of the New Articles of Association proposed to be adopted by the Company is set out below:

SHARE BUY-BACKS

The Company may buy back its own Shares (including any redeemable Shares) in accordance with Division 4 of Part 5 and/or any other applicable provisions of the Companies Ordinance.

The Company may exercise any powers conferred or permitted by the Companies Ordinance or any other ordinance from time to time to buy back or otherwise acquire its own Shares and warrants (including any redeemable Shares) at any price or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a buy-back or other acquisition made or to be made by any person of any Shares or warrants in the Company and should the Company buy back or otherwise acquire its own Shares or warrants neither the Company nor the Board will be required to select the Shares or warrants to be bought back or otherwise acquired ratably or in any other particular manner as between the holders of Shares or warrants of the same class or as between them and the holders of Shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of Shares provided always that any such buy-back or other acquisition or financial assistance shall only be made or given in accordance with the Companies Ordinance, any relevant rules or regulations issued by the Stock Exchange or the Securities and Futures Commission from time to time in force.

INCREASE OF CAPITAL

The Company in general meeting may from time to time, subject to the maximum number of Shares which the Company may issue as specified in the New Articles of Association (if any), whether or not all the Shares for the time being in issue have been fully paid up, by ordinary resolution increase its share capital by allotting and issuing new Shares, such new capital to be of such amount and to be divided into Shares of such respective amounts as the resolution shall prescribe.

CONSOLIDATION, SUB-DIVISION AND OTHER CHANGES IN SHARE CAPITAL

The Company may from time to time by ordinary resolution:–

- (i) consolidate or divide all or any of its Shares into a smaller or larger number of Shares respectively;

- (ii) divide its Shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
- (iii) sub-divide its Shares or any of them into a larger number of Shares, subject nevertheless to the provisions of the Companies Ordinance; and
- (iv) make provision for the allotment and issue of shares which do not carry any voting rights.

SHARE CERTIFICATES

Every person whose name is entered as a member in the register shall be entitled to receive within the relevant time limit as prescribed in the Companies Ordinance or as the Stock Exchange may from time to time determine, whichever is the shorter, after allotment or lodgment of a transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares; or if he shall so request, in the case where the allotment or transfer is of a number of shares in excess of the number for the time being a stock exchange board lot, such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, upon payment of such sum as the Board from time to time determine provided that such fees shall not exceed the maximum fees as prescribed in the Companies Ordinance or as the Stock Exchange from time to time determine, whichever is the lower, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue a certificate or certificates to such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

Unless the Directors resolve otherwise, every certificate for shares or debentures or representing any other form of security of the Company shall be (i) issued under the seal of the Company, which for this purpose may be any official seal as permitted by Section 126 and/or any other applicable provisions of the Companies Ordinance or (ii) otherwise executed in accordance with the Companies Ordinance. Whether or not certificates are issued under any seal of the Company, the Directors may by resolution decide that any signatures on any certificates need not be autographic but may be affixed by some method or system of mechanic or electronic signature or otherwise or that certificates need not be signed by any person.

ALTERATION OF SHARE CAPITAL

The Company may by ordinary resolution alter its share capital in any one or more of the ways set out in section 170 and/or any other applicable provisions of the Companies Ordinance.

REDUCTION OF SHARE CAPITAL

The Company may by special resolution reduce its share capital in accordance with Division 3 of Part 5 and/or any other applicable provisions of the Companies Ordinance.

MODIFICATION OF RIGHTS

If at any time the capital is divided into different classes of Shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the Shares of that class) may, subject to the provisions of the Companies Ordinance, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths of the total voting rights of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of that class. To every such separate general meeting the provisions of the New Articles of Association relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum is not less than two persons holding or representing by proxy one-third of the total voting rights of that class, and at an adjourned meeting one person holding Shares of that class or his proxy, and that any holder of Shares of the class present in person or by proxy may demand a poll.

TRANSFERS OF SHARES

All transfers of Shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept and may be under hand only. If the transferor or the transferee is a clearing house or its nominee(s), or otherwise, the Board may resolve, either generally or in a particular case, to accept a transfer executed by hand or by machine imprinted signature or such other manner as the Board considers appropriate. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint. The instrument of transfer of any Share must be executed by or on behalf of the transferor and transferee, and the transferor is deemed to remain the holder of the Share until the name of the transferee is entered in the register in respect thereof.

The Board may, in its absolute discretion, refuse to register a transfer of any Share (not being a fully paid up Share) to a person of whom it does not approve, and it may also refuse to register any transfer of any Share to more than four joint holders or any transfer of any Share (not being a fully paid up Share) on which the Company has a lien. The Board may also decline to recognise any instrument of transfer unless:–

- (i) such fee or fees as the Board may determine from time to time but not exceeding the maximum fees prescribed by the Stock Exchange from time to time in the Listing Rules is paid to the Company in respect thereof;
- (ii) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- (iii) the instrument of transfer is in respect of only one class of Share;
- (iv) the Shares concerned are free of any lien in favour of the Company; and
- (v) the instrument of transfer is properly stamped.

No transfer of Share shall be made to a minor or to a mentally incapacitated person or under other legal disability.

If the Board refuses to register a transfer of any Share, it shall send to each of the transferor and the transferee a notice of such refusal within two months or such longer period as required by applicable laws, rules or regulations after the transfer is lodged with the Company. The transferor or transferee may also request a statement of the reasons for the refusal and the Board shall, within 28 days or such longer period as required by applicable laws, rules or regulations after receiving such request, send to the transferor or transferee who made the request such statement or register the transfer.

GENERAL MEETINGS

Subject to sections 611, 612 and 613 and/or any other applicable provisions of the Companies Ordinance, the Company shall, in respect of each financial year, hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it. The annual general meeting shall be held at such time and place as the Board shall fix. An annual general meeting shall be called by twenty-one days' notice in writing at the least, and a general meeting of the Company other than an annual general meeting shall be called by at least fourteen days' notice in writing.

HOLDING OF GENERAL MEETING AT TWO OR MORE LOCATIONS

The Board may, at its absolute discretion, arrange for the Shareholders to attend a general meeting by simultaneous attendance and participation at meeting location(s) using electronic means at such location or locations in any part of the world as the Board may, at its absolute discretion, designate. The Shareholders present in person or by proxy at the meeting location(s) shall be counted in the quorum for, and entitled to vote at, the subject general meeting, and that meeting shall be duly constituted and its proceedings valid provided that the Chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that Shareholders attending at all the meeting locations are able to hear all those persons present and speak at the principal meeting location and at any other meeting location held by electronic means and be heard by all other persons in the same way. The Chairman of the meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting location.

VOTING AT GENERAL MEETINGS

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of Shares, at any general meeting on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative duly authorised under section 606 and/or any other applicable provisions of the Companies Ordinance or by proxy has one vote, and on a poll every member present in person or (being a corporation) by duly authorised representative or by proxy has one vote for every Share of which he is the holder which is fully paid up or credited as fully paid (but so that no amount paid up or credited as paid up on a Share in advance of calls or instalments is treated for the foregoing purposes as paid up on the Share).

Where more than one proxy is appointed by a member of the Company, the proxies so appointed are not entitled to vote on the resolution on a show of hands. Notwithstanding anything contained in the New Articles of Association, where more than one proxy is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

A member, being a clearing house (or its nominees(s)) which is a corporation may, by resolution of its Directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members' meeting of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such person is so authorised. Each person so authorised is entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the Shares of the Company held by the clearing house (or its nominee(s)) including the right to vote individually on a show of hands could exercise if it were an individual member of the Company and, on a show of hands each such person shall be entitled to a separate vote.

Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

VOTING AND DEMAND FOR A POLL

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:-

- (1) by the Chairman of the meeting; or
- (2) by at least five members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or

- (3) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than 5% of the total voting rights of all the members having the right to vote at the meeting.

Unless a poll be so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

QUALIFICATION OF DIRECTORS

A Director is not required to hold any qualification Shares. No Director is required to vacate office or ineligible for re-election or re-appointment as a Director, and no person is ineligible for appointment as a Director, by reason only of his having attained any particular age.

BORROWING POWERS

The Board may from time to time in its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

DIRECTORS' REMUNERATION

The Directors are entitled to receive by way of remuneration for their services such sum as is from time to time determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees. The Directors are also entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors. The Board may grant special remuneration to any Director who, being called upon, performs any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged.

Notwithstanding the foregoing, the remuneration of a managing director, joint managing director, deputy managing director or other executive Director or a Director appointed to any other office (at such title or titles as the Board may think fit) in the management of the Company is from time to time fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration is in addition to his remuneration as a Director.

The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory retirement benefit or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, retirement benefit, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the spouses, widows or widowers, families and dependants of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office is entitled to participate in and retain for his own benefit any such donation, gratuity, retirement benefit, allowance or emolument.

DIRECTORS' INTERESTS

No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any transaction, contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director is a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such transaction, contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall disclose the nature and extent of his interest in any transaction, contract or arrangement in which he is interested at the meeting of the Board at which the question of entering into the transaction, contract or arrangement is first taken into consideration, if he knows his interest, in accordance with section 536 and/or any other applicable provisions of the Companies Ordinance.

Save as otherwise provided by the New Articles of Association, a Director shall not vote (or be counted in the quorum at a meeting) on any resolution of the Board in respect of any transaction, contract or arrangement or any other proposal in which he or any of his associates has a material interest, but this prohibition does not apply to:–

- (i) the giving of any security or indemnity either (a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries, or (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of Shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal concerning any other company in which the Director or his close associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or member or in which the Director or his close associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his close associates are not in aggregate beneficially interest in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his close associates is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of Shares or debentures or other securities of the Company by virtue only of his/their interest in Shares or debentures or other securities of the Company.

Provided that the Director declares the nature and extent of his relevant interest to other Directors in accordance with section 536 and/or any other applicable provisions of the Companies Ordinance, a Director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to the New Articles of Association. A Director of the Company may be or become a Director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.

A Director, notwithstanding his interest, may be counted in the quorum present at any meeting at which he or any other director is appointed to hold any office or place of profit under the Company or at which the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.

USE OF THE SEAL AND EXECUTION OF DOCUMENTS

Unless the Board resolved otherwise, the Board shall provide for safe custody of the seal which shall only be used by the authority of the Board or a committee of the Board authorised by the Board in that behalf. A common seal shall be a metallic seal having the Company's name engraved on it in legible form and subject to this requirement, the Board may decide by what means and in what form a common seal or official seal (whether for use outside Hong Kong or for sealing securities) is to be used.

A document signed, with the authority of a resolution of the Directors, by any two Directors or any one Director together with the Company Secretary or otherwise executed in accordance with section 127(3) of the Companies Ordinance and expressed, in whatever words, to be executed by the Company as a deed, shall have the same effect as if executed under the seal.

DIVIDENDS

No dividend shall be payable except out of the profits of the Company, and no dividend shall bear interest as against the Company.

Subject to the rights of persons, if any, entitled to Shares with special rights as to dividend, all dividends will be declared and paid according to the amounts paid or credited as paid up on the Shares in respect whereof the dividend is paid, but no amount paid up or credited as paid up on a Share in advance of calls will be treated for this purpose as paid up on the Share. The Board may retain any dividends or other moneys payable on or in respect of a Share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Board may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

In respect of any dividend which the Board has resolved to pay or any dividend declared or sanctioned or proposed to be declared or sanctioned by the Board or by the Company in general meeting, the Board may determine and announce, prior to or contemporaneously with the announcement, declaration or sanction of the dividend in question: either (i) that shareholders entitled thereto will receive in lieu of such dividend (or such part thereof as the Board may think fit) an allotment of Shares credited as fully paid (or otherwise as permitted under the Companies Ordinance) provided that the shareholders are at the same time accorded the right to elect to receive such dividend (or part thereof as the case may be) in cash in lieu of such allotment, or (ii) that shareholders entitled to such dividend be entitled to elect to receive an allotment of Shares credited as fully paid (or otherwise as permitted under the Companies Ordinance) in lieu of the whole or such part of the dividend as the Board may think fit. The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the foregoing a dividend may be satisfied wholly in the form of an allotment of Shares credited as fully paid up (or otherwise as permitted under the Companies Ordinance) without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company will not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and will revert to the Company.

NOTICES

Subject to the New Articles of Association, the Companies Ordinance, all applicable laws, rules and regulations including, without limitation, the rules prescribed by the Stock Exchange from time to time, anything sent or supplied by or to the Company under the n New Articles of Association may be sent or supplied in any way in which Part 18 and/or any other applicable provisions of the Companies Ordinance provides for documents or information to be sent or supplied by or to the Company for the purposes of the Companies Ordinance.

In particular, any notice, document or information (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) given or issued by or on behalf of the Company may be served on, delivered or made available by the Company to any person by any of the following means:

- (i) By post – a notice, document or information (including in hard copy or electronic form) may be sent or supplied by post and the same shall be deemed to have been served on the second business day or such earlier day as permitted under applicable laws, rules or regulations following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in proving such service;
- (ii) By hand – a notice, document or information (including in hard copy or electronic form) may be sent or supplied by hand and the same shall be deemed to have been served at the time when it is delivered;
- (iii) By electronic means (other than by means of website) – a notice, document or information (including the same in hard copy or electronic form) may be sent or supplied by electronic means and the same shall be deemed to have been received at the end of the period of 24 hours after it is being sent or supplied (or such longer period as required under the applicable laws, rules or regulations) provided that no contrary is proved; and
- (iv) By means of website – a notice, document or information may be published on the Company’s website and the same shall be deemed to have been received at the end of the period of 24 hours after the same is first made available on the website or after receipt of the notice of posting on the website sent by the Company (if applicable) (or such longer period as required under the applicable laws, rules or regulations), whichever is the later.

INDEMNITY

Every Director, former Director, other officer or other former officer of the Company will be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director, former Director, other officer or other former officer will be liable for any loss, damages or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, provided that this article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance.

Subject to section 468 and/or any other applicable provisions of the Companies Ordinance, if any Director or other person will become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

The Company may purchase and maintain for any Director, director of an associated company, secretary, officer and auditor of the Company in accordance with the relevant provisions of the Companies Ordinance (i) insurance against any liability to the Company, an associated company or any other party attaching to him in respect of any negligence, default, breach of duty or breach of trust (save for fraud) (a) in relation to the Company or associated company (as the case may be) or (b) (for auditor) occurring in the course of performance of duties of auditor in relation to the Company or associated company (as the case may be); and (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) (a) in relation to the Company or associated company (as the case may be) or (b) (for auditor) occurring in the course of performance of duties of auditor in relation to the Company or associated company (as the case may be).

NOTICE OF ANNUAL GENERAL MEETING



北京控股有限公司

BEIJING ENTERPRISES HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 392)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Beijing Enterprises Holdings Limited (the “Company”) will be held at 66th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Thursday, 11 June 2015 at 3:00 p.m. for the following purposes:

1. To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 December 2014;
2. To declare a final dividend;
3. To re-elect the Retiring Directors and to authorize the Board of Directors to fix Directors’ remuneration;
4. To re-appoint Auditors and to authorize the Board of Directors to fix their remuneration;
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to buy back its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company to be bought back pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of shares of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”;
6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and deal with additional shares of the Company and to make or grant offers, agreements and options which would or might require shares to be allotted, issued or dealt with during or after the end of the Relevant Period (as defined below), be and is hereby generally and unconditionally approved, provided that, otherwise than pursuant to (i) a rights issue where shares are offered to shareholders on a fixed record date in proportion to their then holdings of shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory applicable to the Company); or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend or shares of the Company in accordance with the articles of association of the Company (as amended from time to time); or (iv) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; the total number of additional shares to be issued, allotted, dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with shall not in total exceed 20% of the total number of shares of the Company in issue on the date of passing of this Resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (b) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”; and
7. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the general mandate granted to the Directors pursuant to Resolution 6 above and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by the addition thereto of such number of shares of the Company bought back by the Company under the authority granted pursuant to Resolution 5 set out in the notice convening this meeting, provided that such number of shares of the Company shall not exceed 10% of the total number of shares of the Company in issue on the date of the passing of this Resolution.”

SPECIAL RESOLUTION

8. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT**, the New Articles of Association in the form of the document marked “A” and produced to this meeting and for the purpose of identification signed by the chairman of this meeting be approved and adopted in substitution for and to the exclusion of the existing memorandum and Current Articles of Association of the Company and the object clause contained in the existing memorandum of association of the Company (which is regarded as a provision of the Current Articles of Association of the Company by virtue of section 98(1) of the Companies Ordinance) be abandoned, with immediate effect, and any director or the company secretary of the Company be and is hereby authorised to do all things necessary to implement the adoption of the New Articles of Association.”

By order of the Board
Tam Chun Fai
Executive Director

Hong Kong, 12 May 2015

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. For the purposes of determining shareholders' eligibility to attend and vote at the 2015 annual general meeting, and entitlement to the final dividend, the register of members will be closed. Details of such closures are set out below:
 - (i) For determining eligibility to attend and vote at the 2015 annual general meeting:

Latest time to lodge transfer documents for registration 4:30 pm on Thursday, 4 June 2015

Closure of register of members. Friday, 5 June 2015 to
Thursday, 11 June 2015
(both dates inclusive)
 - (ii) For determining entitlement to the final dividend:

Latest time to lodge transfer documents for registration 4:30 pm on Tuesday, 16 June 2015

Closure of register of members. Wednesday, 17 June 2015 to
Monday, 22 June 2015
(both dates inclusive)

Record date. Monday, 22 June 2015

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2015 annual general meeting, and to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than the aforementioned latest time.

2. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his behalf. A proxy need not be a Member of the Company. 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.
3. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged with the Company's Share Registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the Meeting. Forms of proxy returned electronically or by any other data transmission process will not be accepted.
4. A circular containing details of the proposed resolutions nos. 3 and 5 to 7 as set out in this notice will be despatched to the shareholders.

As at the date of this notice, the board of directors of the Company comprises Mr. Wang Dong (Chairman), Mr. Hou Zibo, Mr. Zhou Si, Mr. Li Fucheng, Mr. Li Yongcheng, Mr. E Meng, Mr. Jiang Xinhao and Mr. Tam Chun Fai as executive directors; Mr. Guo Pujin as non-executive director; Mr. Wu Jiesi, Mr. Lam Hoi Ham, Mr. Fu Tingmei, Mr. Sze Chi Ching, Mr. Shi Hanmin and Dr. Yu Sun Say as independent non-executive directors.