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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 or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

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**CAPITAL
VC LIMITED**

首都創投有限公司

Capital VC Limited
首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*
(Stock Code: 02324)

**GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

Resolutions will be proposed at the annual general meeting (the “AGM”) of the Company to be held at Room 602, 6th Floor, New World Tower, 16-18 Queen’s Road Central, Hong Kong on Tuesday, 10 December 2013 at 11:30 a.m. to approve the matters referred to in this circular. The notice convening the AGM is set out in Appendix IV to this circular. If you are unable to attend the AGM in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting and in such event, the form of proxy shall be deemed to be revoked.

7 November 2013

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DEFINITIONS

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

“2012/13 Annual Report”	the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors of the Company for the year ended 30 June 2013
“Adoption Date”	10 December 2013 being the date on which the New Share Option Scheme is to be conditionally adopted by ordinary resolution of the Shareholders
“AGM”	the annual general meeting of the Company to be held on 10 December 2013 at which, among other things, the 2012/13 Annual Report will be adopted and resolutions for approving Issue Mandate and Repurchase Mandate will be considered
“Articles”	Articles of Association of the Company
“Board”	the board of Directors of the Company
“Company”	Capital VC Limited, a company incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as CNI VC Limited, whose shares are listed on the Stock Exchange
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Director(s)”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company on 30 September 2003 and expired on 29 September 2013
“Issue Mandate”	the general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution approving the grant of such mandate

DEFINITIONS

“Latest Practicable Date”	4 November 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the share option scheme proposed to be adopted by the Shareholders at the AGM
“Options”	an option granted pursuant to the Existing Share Option Scheme or the New Share Option Scheme, as the context requires
“Participants”	<p>any person belonging to any of the following classes of participants:</p> <ul style="list-style-type: none">(a) any full-time or part-time employee of any member of the Group;(b) any consultant or adviser of any member of the Group;(c) any director (including executive, non-executive or independent non-executive directors) of any member of the Group;(d) any substantial shareholder of any member of the Group;(e) any distributor, contractor, supplier, agent, customer, business partner or service provider of any member of the Group; and(f) any company wholly owned by one or more persons belonging to any of the above classes of participants
“Repurchase Mandate”	the general and unconditional mandate to the Directors to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution approving the grant of such mandate
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

DEFINITIONS

“Share(s)”	ordinary share(s) of nominal value of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases, as amended from time to time

LETTER FROM THE BOARD



CAPITAL
VC LIMITED

首都創投有限公司

Capital VC Limited 首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*
(Stock Code: 02324)

Executive Directors:

Mr. Kong Fanpeng
Mr. Chan Cheong Yee
Mr. Tang Tsz Tung

Non-executive Director:

Mr. Hung Cho Sing

Independent Non-executive Directors:

Mr. Lam Kwan
Mr. Ong Chi King
Mr. Lee Ming Gin

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

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

Room 602, 6th Floor
New World Tower
16-18 Queen's Road Central
Hong Kong

7 November 2013

To the Shareholders

Dear Sir/Madam,

GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES, RE-ELECTION OF RETIRING DIRECTORS, ADOPTION OF NEW SHARE OPTION SCHEME AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

At the AGM, resolutions will be proposed to (i) grant to the Directors general mandates to repurchase and issue Shares; (ii) extend the general mandate to issue Shares; (iii) re-elect retiring Directors; and (iv) adopt the New Share Option Scheme. In compliance with the Listing Rules, this circular contains the explanatory statement and gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE ADDITIONAL SHARES

An ordinary resolution will be proposed at the AGM for the purpose of renewing the existing share issue mandate granted to Directors to allot, issue and otherwise deal with the Shares. The existing issue mandate will expire at the conclusion of the AGM. The share issue mandate is subject to a limit equal to 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing the resolution.

GENERAL MANDATE FOR REPURCHASE OF SHARES

The repurchase resolution will be proposed for the purpose of renewing the existing Repurchase Mandate granted to the Directors to repurchase Shares. The existing Repurchase Mandate will expire at the conclusion of the AGM. The Repurchase Mandate is subject to a limit of equal to 10% of the issued and fully paid up share capital of the Company as at the date of passing the resolution. An explanatory statement to the Repurchase Mandate is set out in Appendix I to this circular.

EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

Subject to the passing at the AGM of the proposed resolutions regarding the share issue mandate and the repurchase mandate, an ordinary resolution will be proposed at the AGM to approve the extension of the 20% share issue mandate, ie. 30,278,604 Shares, by adding to the share issue mandate the number of shares that may be repurchased under the Repurchase Mandate. Shareholders are referred to the AGM notice for details of the resolutions. With reference to these resolution, the Board wishes to state that it has no immediate plans to repurchase any shares or to issue any new shares pursuant to the relevant mandates.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 87(3) of the Company's articles of association, Mr. Tang Tsz Tung and Mr. Lee Ming Gin shall retire as Directors, while Mr. Kong Fanpeng shall retire by rotation in accordance with Article 88(1). Being eligible, all of them offer themselves for re-election as Director at the AGM. Mr. Lam Kwan shall be subject to Shareholders' approval to continue to be the independent non-executive Directors of the Company in accordance with the recommended best practice of the Listing Rules because his term of service with the Company has been over nine years. Particulars of the retiring Directors are set out in Appendix II to this circular.

ADOPTION OF NEW SHARE OPTION SCHEME

The Existing Share Option Scheme

The Existing Share Option Scheme was adopted by the Company on 30 September 2003 for a term of 10 years and expired on 29 September 2013. As at the Latest Practicable Date, the Company has 3,232,161 outstanding Options granted under the Existing Share Option Scheme. Upon the expiry of the Existing Share Option Scheme, no further Option can be offered thereunder but any options granted prior to such expiry but not yet exercised shall continue to be valid and exercisable in accordance to the Existing Share Option Scheme. In consideration of the expiry of the Existing Share Option Scheme, the Board proposes the adoption of the New Share Option Scheme for the approval of the Shareholders at the AGM.

LETTER FROM THE BOARD

The New Share Option Scheme

An ordinary resolution will be proposed at the AGM for the approval of the adoption of the New Share Option Scheme. A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. A copy of the New Share Option Scheme will be available for inspection at the Company's principal place of business in Hong Kong at Room 602, 6th Floor, New World Tower, 16-18 Queen's Road Central, Hong Kong during normal business hours from the date of this circular up to and including the date of the AGM.

The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to the Participants and to promote the success of the business of the Group. The Board believe that the New Share Option Scheme will give the Participants an opportunity to have a personal stake in the Company and will motivate the Participants to optimise their performance and efficiency and attract and retain the Participants whose contributions are important to the long-term growth and profitability of the Group. Furthermore, the Board believes that the authority given to the Board under the New Share Option Scheme to specify terms and conditions, including minimum holding period, performance targets and subscription price, in any Option to be granted and to select the appropriate Participants will serve to protect the value of the Company as well as to achieve these purposes of retaining and motivating the Participants to contribute to the Group. Accordingly, the Directors consider that it is in the interest of the Company to adopt the New Share Option Scheme.

The New Share Option Scheme will be administered by the Board. None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such trustee (if any). With respect to the operation of the New Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

Assuming that there is no further change in the issued share capital between the period from the Latest Practicable Date to the Adoption Date, based on the issued share capital of the Company of 151,393,024 Shares as at the Latest Practicable Date, the number of Shares issuable pursuant to the New Share Option Scheme on the Adoption Date will be 15,139,302 Shares, representing approximately 10% of the issued share capital of the Company on the Adoption Date. Subject to the obtaining of Shareholders' approval with respect to the adoption of the New Share Option Scheme at the AGM, the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other schemes must not in aggregate exceed 10 per cent of the total issued capital of the Company as at the Adoption Date unless the Company obtains a fresh approval from Shareholders to refresh the 10 per cent limit provided that, inter alia, the maximum number of Shares in respect of which Options may be granted under the New Share Option Scheme together with any options outstanding and yet to be exercised under the New Share Option Scheme and any other schemes must not exceed 30 per cent of the issued share capital of the Company from time to time.

LETTER FROM THE BOARD

Value of the Options

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the New Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the Option value have not been determined. Such variables include but are not limited to the exercise price, exercise period, minimum holding period (if any). The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and may be misleading to the Shareholders in the circumstances.

Conditions precedent of the New Share Option Scheme

The adoption of the New Share Option Scheme is conditional upon:

- (A) the passing of an ordinary resolution to approve and adopt the New Share Option Scheme by the Shareholders in general meeting; and
- (B) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may be issued pursuant to the exercise of Options in accordance with the terms of the New Share Option Scheme.

Application for listing

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme.

ANNUAL GENERAL MEETING

The notice of the AGM is set out in Appendix IV to this circular.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

PROXY ARRANGEMENT

A form of proxy for use at the AGM is enclosed with this circular. In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting at the AGM or any adjournment thereof and in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the AGM will be taken by way of poll.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.

RECOMMENDATION

The Directors consider that the Repurchase Mandate, the Issue Mandate, the extension of the issue mandate, the re-election of the retiring Directors, and the adoption of the New Share Option Scheme are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

Yours faithfully,
For and on behalf of the Board
Chan Cheong Yee
Executive Director

The following explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules to be given to the Shareholders relating to a resolution to be proposed at the forthcoming AGM authorizing the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date the issued and fully paid up share capital of the Company comprised 151,393,024 Shares. Exercise in full of the Repurchase Mandate, if so approved, on the basis that no further shares are issued or repurchased between the Latest Practicable Date and the date of the approval of the Repurchase Mandate, the Company would be allowed under the repurchase resolution to repurchase a maximum of 15,139,302 Shares during the period from the date on which such resolution is passed until the date of: (i) conclusion of the next AGM of the Company; (ii) the expiration of the period within which the next AGM of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held; or (iii) the revocation, variation or removal of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting, whichever occurs first, representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchase when appropriate and beneficial to the Company and the Shareholders as a whole. Such repurchase may enhance the net assets value per Share and/or earnings per Share.

GENERAL

As compared with the financial position of the Company as at 30 June 2013 (being the date of its latest published audited financial statements), the Directors consider that there might be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed purchases were to be carried out in full during the proposed purchase period. However, the Directors do not intend to make any purchase to such an extent as would in the circumstances have a material adverse impact on the working capital or gearing position of the Company.

FUNDING OF REPURCHASE

Repurchases must be made of the funds legally available for the purpose in accordance with the memorandum and articles of association of the Company and the applicable laws and regulations of the Cayman Islands and the Listing Rules. The Companies laws of the Cayman Islands (“Laws”) provide that a share repurchase by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose or, if so authorized by the Articles and subject to the provisions of the Laws, out of capital. Any premium payable on a repurchase over the par value of the Shares repurchased or conditionally or unconditionally to be purchased must be provided for out of profits of the Company or out of the Company’s share premium account or, if so authorized by the Articles and subject to the provisions of the Laws, out of capital.

SHARE REPURCHASE MADE BY THE COMPANY

During the period of six months preceding the Latest Practicable Date, no Shares had been repurchased by the Company (whether on the Stock Exchange or otherwise).

SHARE PRICES

During the previous twelve months before the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

	Price per Share	
	Lowest <i>HK\$</i>	Highest <i>HK\$</i>
2012		
November	0.583	0.737
December	0.637	0.863
2013		
January	0.637	0.897
February	0.650	0.730
March	0.663	0.910
April	0.650	0.790
May	0.717	0.850
June	0.620	0.757
July	0.620	0.920
August	0.700	0.950
September	0.680	0.880
October	0.630	0.780
November (<i>Up to the Latest Practicable Date</i>)	0.700	0.740

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, to exercise the power of the Company to repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the Memorandum and Articles of Association of the Company. None of the Directors nor, to the best of their knowledge having made all reasonable inquiries, any of their associates (as defined in the Listing Rules) have any present intention to sell any securities to the Company under the Repurchase Mandate if such is approved by the Shareholders. No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

EFFECT OF TAKEOVERS CODE

If on exercise of the power to repurchase Shares pursuant to Repurchase 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 Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could, depending on the level of increase of Shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. The Directors are not aware of any Shareholders, or a group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate. As at the Latest Practicable Date, based on disclosures made under Part XV of the SFO and to the best of the knowledge and belief of the Company, there were no substantial Shareholders. If the Directors exercise in full the powers to repurchase Shares pursuant to the Repurchase Mandate, it would not give rise to any obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

MR. KONG FANPENG (“MR. KONG”)

Mr. Kong, aged 45, has been an Executive Director of the Company since 18 March 2010. He obtained a Bachelor’s degree in Finance and Auditing from Zhongshan University, the PRC. Mr. Kong was a manager of Huizhou TCL Information System Limited and Guangzhou Bada Telecommunications Limited. He also worked as the general manager of the PRC market and an executive director respectively at Chief Securities Limited in Hong Kong and Excalibur Securities Limited in Hong Kong, specializing in risk averse arbitrage trading in both Shenzhen and Hong Kong capital market. Mr. Kong was the chairman and an executive director of Shenzhen Wansheng Investment Management Company Limited. He has a wealth of experience in the Hong Kong securities market for over 22 years and is well versed in investment in the second board market in both China and Hong Kong. Mr. Kong is the chief partner of Shenzhen CAS Bright Stone Investment Management Limited.

As at the Latest Practicable Date, Mr. Kong did not hold any Shares within the meaning of Part XV of the SFO. Mr. Kong is not related to any other Directors, senior management, substantial shareholder, or controlling shareholders of the Company. Mr. Kong is entitled to a director’s fee in the amount of HK\$360,000 per annum, which is determined by reference to his duties and responsibilities with the Company, the experience of Mr. Kong and the prevailing practice in the market. Mr. Kong does not have a service agreement with the Company which is not determinable by the Company within one year without paying compensation (other than statutory compensation). Mr. Kong is subject to retirement by rotation in accordance with the Articles of Association of the Company.

As at the Latest Practicable Date, Mr. Kong does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Kong has not held any directorship in other public companies in the last three years preceding the date of his appointment and does not hold any other position with the Company or any of its subsidiaries. Mr. Kong does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Mr. Kong that needs to be brought to the attention of the shareholders of the Company and there is no other information that needs to be disclosed pursuant to the requirement of Rule 13.51(2)(h) to (v) of the Listing Rules.

MR. TANG TSZ TUNG (“MR. TANG”)

Mr. Tang, aged 40, has been an Executive Director of the Company since 6 March 2013. Mr. Tang holds a Bachelor degree in Civil Engineering with minor in Finance and Mathematics from University College London. Mr. Tang is currently a licensed person to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), and type 9 (asset management) regulated activities under the SFO.

Mr. Tang has a wealth of working experience in dealing in securities, fund management, corporate management and corporate finance. He worked in Citigroup Global Markets Asia Limited from September 2000 to November 2008. From November 2008 to August 2010, Mr. Tang was employed by HSBC Private Bank (Suisse) SA, the private banking subsidiary of HSBC group (licensed for type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activity under the

APPENDIX II DETAILS OF THE RETIRING DIRECTORS TO BE RE-ELECTED

SFO). Since April 2011, Mr. Tang has worked with Astrum Capital Management Limited, a Hong Kong asset management firm (licensed for type 9 (asset management) regulated activity under the SFO) with focus on the Greater China region.

As at the Latest Practicable Date, Mr. Tang did not hold any Shares within the meaning of Part XV of the SFO. Mr. Tang is not related to any other Directors, senior management, substantial shareholder, or controlling shareholders of the Company. Mr. Tang is entitled to a director's fee in the amount of HK\$360,000 per annum, which is determined by reference to his duties and responsibilities with the Company, the experience of Mr. Tang and the prevailing practice in the market. Mr. Tang does not have a service agreement with the Company which is not determinable by the Company within one year without paying compensation (other than statutory compensation). Mr. Tang is subject to retirement by rotation in accordance with the Articles of Association of the Company.

As at the Latest Practicable Date, Mr. Tang does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Tang has not held any directorship in other public companies in the last three years preceding the date of his appointment and does not hold any other position with the Company or any of its subsidiaries. Mr. Tang does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Mr. Tang that needs to be brought to the attention of the shareholders of the Company and there is no other information that needs to be disclosed pursuant to the requirement of Rule 13.51(2)(h) to (v) of the Listing Rules.

MR. LAM KWAN (“MR. LAM”)

Mr. Lam, aged 44, has been an Independent Non-executive Director of the Company since 10 September 2003. He obtained a Bachelor degree in Accountancy from the Hong Kong Polytechnic University. He is a practicing Certified Public Accountant in Hong Kong, a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Taxation Institute of Hong Kong. Mr. Lam is currently a director of Charles H.C. Cheung & CPA Limited. Mr. Lam is an independent non-executive director of Pearl Oriental Oil Limited (Stock code: 632).

As at the Latest Practicable Date, Mr. Lam did not hold any Shares within the meaning of Part XV of the SFO. Mr. Lam is not related to any other Directors, senior management, substantial shareholder, or controlling shareholders of the Company. Mr. Lam is entitled to a director's fee in the amount of HK\$120,000 per annum, which is determined by reference to his duties and responsibilities with the Company, the experience of Mr. Lam and the prevailing practice in the market. Mr. Lam does not have a service agreement with the Company which is not determinable by the Company within one year without paying compensation (other than statutory compensation). Mr. Lam is subject to retirement by rotation in accordance with the Articles of Association of the Company.

APPENDIX II DETAILS OF THE RETIRING DIRECTORS TO BE RE-ELECTED

Since Mr. Lam has served the Group as an Independent Non-executive Director for more than nine years, he should be subject to re-election by the Shareholders for a longer term in accordance with the recommended best practice of Code on Corporate Governance Practices. Nonetheless, the Company has received confirmation from Mr. Lam as to his independence in compliance with the requirements of the Listing Rules and Mr. Lam has not engaged in any daily executive management of the Group. Taking into consideration of his independent scope of work in the past years, the Directors consider Mr. Lam to be independent under the Listing Rules despite the fact that he has served the Company for more than nine years. Accordingly, the Directors would like to seek the Shareholders' approval for the continuous appointment of Mr. Lam as an Independent Non-executive Director of the Company.

Saved as disclosed above, there is no other matter relating to the re-election of Mr. Lam that need to be brought to the attention of the Shareholders or any information that should be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MR. LEE MING GIN (“MR. LEE”)

Mr. Lee, aged 28, has been an Independent Non-executive Director of the Company since 6 March 2013. Mr. Lee holds a Bachelor Degree of Quantitative Finance from the Chinese University of Hong Kong. He is currently a licensed person to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO. Mr. Lee is experienced in securities, insurance advisory and fund management having been working for several wealth and asset management firms. Mr. Lee was a continuous education training tutor and is currently a director of the Institute of Financial Planners of Hong Kong, and his professional qualifications include Certified Financial Consultant, Certified Financial Planner and member of the Hong Kong Securities Institution.

Mr. Lee has not held any directorship in public companies the securities of which are listed on any securities exchange in Hong Kong or overseas in the past three years. He has not previously held any position in the Company or its subsidiaries, nor has any relationship with any directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Lee did not hold any Shares within the meaning of Part XV of the SFO. Mr. Lee is not related to any other Directors, senior management, substantial shareholder, or controlling shareholders of the Company. Mr. Lee is entitled to a director's fee in the amount of HK\$120,000 per annum, which is determined by reference to his duties and responsibilities with the Company, the experience of Mr. Lee and the prevailing practice in the market. Mr. Lee does not have a service agreement with the Company which is not determinable by the Company within one year without paying compensation (other than statutory compensation). Mr. Lee is subject to retirement by rotation in accordance with the Articles of Association of the Company.

Save as disclosed above, there is no other matter relating to the re-election of Mr. Lee that need to be brought to the attention of the shareholders of the Company or any information that should be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

This Appendix summarizes the principal terms of the New Share Option Scheme but does not form part of, nor was it intended to be, part of the New Share Option Scheme nor should it be taken as effecting the interpretation of the rules of the New Share Option Scheme.

1. Definitions

For the purpose of this section, the following expressions have the meanings set out below unless the context requires otherwise:

“Adoption Date”	10 December 2013 being the date on which the New Share Option Scheme is conditionally adopted by ordinary resolution of the shareholders of the Company
“Board”	the board of Directors or a duly authorized committee of the board of Directors
“Group”	the Company and any entity in which the Company, directly or indirectly, holds any equity interest
“Scheme Period”	the period commencing on the Adoption Date and expiring at the close of business on the business day immediately preceding the tenth anniversary thereof

2. Conditions

The New Share Option Scheme shall take effect subject to and is conditional on:

- (A) the passing of an ordinary resolution to approve and adopt the New Share Option Scheme by the Shareholders in general meeting; and
- (B) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may be issued pursuant to the exercise of Options in accordance with the terms of the New Share Option Scheme.

3. Purpose

The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisors, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

4. Who may join and basis of eligibility

The Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), director, consultant or advisor of any member of the Group, or any substantial shareholder of any member of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of any member of the Group, or any company wholly owned by one or more persons belonging to any of the above classes, options to subscribe at a price calculated in accordance with paragraph 5 below for such number of Shares as it may determine in accordance with the terms of the New Share Option Scheme.

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the independent non-executive Directors) from time to time on the basis of the participant's contribution or potential contribution to the development and growth of the Group.

5. Subscription price

The subscription price of a Share in respect of any particular option granted under the New Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of:

- (A) the closing price of the Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a Business Day;
- (B) the average of the closing prices of the Share as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the date of grant of the option; and
- (C) the nominal value of a Share on the date of grant of the option,

provided that in the event of fractional prices, the subscription price per Share shall be rounded upwards to the nearest whole cent.

6. Grant of options and acceptance of offers

On and subject to the terms of the New Share Option Scheme, the Board shall be entitled at any time and from time to time within the Scheme Period to make an offer for the grant of options to any participant as the Board may in its absolute discretion select, and subject to such conditions as the Board may think fit, which may include a condition that the grantee shall not dispose of the Shares issued upon exercise of the option within such period of time or under such conditions as the Board may at its absolute discretion determine, minimum period for which an option must be held and performance targets that must be achieved before an option can be exercised, to subscribe during the option period for such number of Shares (being a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof) as the Board may determine at the subscription price provided always that an offer for the grant of options made to such participant will not constitute an invitation to the public to subscribe for the Shares under any applicable legislations.

An offer for the grant of options must be accepted within 21 days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.

7. Maximum number of Shares available for subscription

- (A) Subject to sub-paragraph (B) and (C) below, the maximum number of Shares issuable upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company as from the Adoption Date (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the New Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of all the Share in issue as at the Adoption Date.
- (B) The 10% limit as mentioned above may be refreshed at any time by obtaining approval of the Shareholders in general meeting provided that the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the Share in issue as at the date of approval of the refreshed limit. Options previously granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the New Share Option Scheme and any other share option schemes of the Company) will not be counted for the purpose of calculating the refreshed 10% limit. A circular must be sent to the Shareholders containing the information as required under the Listing Rules in this regard.
- (C) Subject to sub-paragraph (D) below, the Company may seek separate approval by the Shareholders in general meeting for granting options beyond the 10% limit under sub-paragraphs (A) and (B) above provided the options in excess of the 10% limit are granted only to grantees specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of such grantees, the number and terms of such options to be granted and the purpose of granting such options to them with an explanation as to how the terms of the options will serve such purpose and all other information required under the Listing Rules.
- (D) The aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Share in issue from time to time. No options may be granted under the New Share Option Scheme or any other share option schemes of the Company, if this will result in such 30% limit being exceeded.

8. Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the New Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Share in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his associates abstaining from voting. In such event, the Company must send a circular to the Shareholders containing the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), and all other information required under the Listing Rules. The number and terms (including the subscription price) of the options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

9. Grant of options to certain connected persons

Any grant of an option to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).

Where any grant of options to a substantial Shareholder or an independent non-executive Director (or any of their respective associates) will result in the total number of Shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the New Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant:

- (A) representing in aggregate over 0.1% of the Share in issue; and
- (B) having an aggregate value, based on the closing price of the Share at the date of each grant, in excess of HK\$5 million,

such further grant of options is required to be approved by Shareholders at a general meeting of the Company, with voting to be taken by way of poll. The Company shall send a circular to the Shareholders containing all information as required under the Listing Rules in this regard. All connected persons of the Company shall abstain from voting in favour of the proposed grant. Any change in the terms of an option granted to a substantial shareholder or an independent non-executive Director or any of their respective associates is also required to be approved by Shareholders in the aforesaid manner.

10. Restrictions on the time of grant of options

An offer for the grant of options may not be made after inside information has come to the knowledge of the Company until the Company has announced the information pursuant to the requirement of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

- (A) the date of the Board meeting (such date to first be notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and
- (B) the deadline for the Company to publish an announcement of the results for any year, or half-year under the Listing Rules, or quarterly or other interim period (whether or not required under the Listing Rules).

11. Time of exercise of option

An option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

12. Performance targets

Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no performance target which must be achieved before any of the options can be exercised.

13. Ranking of Shares

The Share to be allotted upon the exercise of an option will be subject to all the provisions of the Articles of Association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions paid or made after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be on or before the date of allotment, save that the Share allotted upon the exercise of any option shall not carry any voting rights until the name of the grantee has been duly entered on the register of members of the Company as the holder thereof. No dividends shall be payable and no voting rights shall be exercisable in relation to Options that have not been exercised.

14. Rights are personal to grantee

An Option shall be personal to the grantee of the option and shall not be assignable. No grantee of the option shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option (where the grantee of the option is a company, any change of its major shareholder or any substantial change in its management as determined by the Board at its sole discretion will be deemed to be a sale or transfer of interest as aforesaid, if so determined by the Board at its sole discretion). Any breach of the foregoing by a Grantee shall entitle the Company to cancel, revoke or terminate any option granted to such grantee to the extent not already exercised.

15. Rights on cessation of employment by death

In the event of the death of the grantee (provided that none of the events which would be a ground for termination of employment referred to in paragraph 16 below arises within a period of three years prior to the death, in the case the grantee is an employee at the date of grant), the legal personal representative(s) of the grantee may exercise the option up to the grantee's entitlement (to the extent which has become exercisable and not already exercised) within a period of 12 months following his death provided that where any of the events referred to in paragraphs 19, 20 and 21 below occurs prior to his death or within such period of 12 months following his death, then his legal personal representative(s) may so exercise the option within such of the various periods respectively set out therein.

16. Rights on cessation of employment by dismissal

In the event that the grantee of the option is an employee of the Group at the date of grant and he subsequently ceases to be an employee of the Group on any one or more of the grounds that he/she has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offense involving his/her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his/her employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group, his/her option shall lapse automatically (to the extent not already exercised) on the date of cessation of his/her employment with the Group.

17. Rights on cessation of employment for other reasons

In the event that the grantee is an employee of the Group at the date of grant and he subsequently ceases to be an employee of the Group for any reason other than his death or the termination of his employment on one or more of the grounds specified in paragraph 16 above, the option (to the extent not already lapsed or exercised) shall lapse on the expiry of three months after the date of cessation of such employment (which date will be the last actual working day on which the grantee was physically at work with the Company or the relevant member of the Group whether salary is paid in lieu of notice or not).

18. Effects of alterations to share capital

In the event of any alteration in the capital structure of the Company whilst any option remains exercisable, whether by way of capitalization of profits or reserves, rights issue, open offer, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which any member of the Group is a party), such corresponding adjustments (if any) shall be made in the number of Shares subject to the option so far as unexercised; and/or the subscription prices of any unexercised option, as the auditors of or independent financial advisor to the Company shall certify or confirm in writing (as the case may be) to the Board to be in their opinion fair and reasonable in compliance with the relevant provisions of the Listing Rules, or any guideline or supplemental guideline issued by the Stock Exchange from time to time (no such certification or confirmation is required in case of adjustment made on a capitalization issue), provided that any alteration shall give a grantee, as near as possible, the same proportion of the issued share capital

of the Company as (but in any event shall not be greater than) that to which he/she/it was previously entitled and any such adjustments shall be made on the basis that the aggregate subscription price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same (but shall not be greater than, except upon any consolidation of the Shares) it was before such event, but no adjustment shall be made to the effect of which would be to enable a Share to be issued at less than its nominal value.

19. Rights on a general offer

In the event of a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) being made to all the Shareholders (or all such holders other than the offeror and/or any persons controlled by the offeror and/or any person acting in association or concert with the offeror), the Company shall use its best endeavours to procure that an appropriate offer is extended to all the grantees of the options (on comparable terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, as Shareholders). If such offer becoming or being declared unconditional, the grantee (or, as the case may be, his legal personal representative(s)), notwithstanding any terms on which his/her options were granted, shall be entitled to exercise the option in full (to the extent not already lapsed or exercised) at any time within one month after the date on which the offer becomes or is declared unconditional.

20. Rights on winding-up

In the event a notice is given by the Company to the members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all grantees and thereupon, each grantee (or, as the case may be, his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already lapsed or exercised) at any time not later than two Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Share in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the grantee credited as fully paid.

21. Rights on compromise or arrangement

In the event of a compromise or arrangement between the Company and the Shareholders or the creditors of the Company being proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies pursuant to the Cayman Companies Law, the Company shall give notice thereof to all the grantees (or, as the case may be, their legal personal representatives) on the same day as it gives notice of the meeting to the Shareholders or the creditors to consider such a compromise or arrangement and the options (to the extent not already lapsed or exercised) shall become exercisable in whole or in part on such date not later than two Business Days prior to the date of the general meeting directed to be convened by the court for the purposes of considering such compromise or arrangement (the “**Suspension Date**”), by giving notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price for the

Share in respect of which the notice is given whereupon the Company shall as soon as practicable and, in any event, no later than 3:00 p.m. on the Business Day immediately prior to the date of the proposed general meeting, allot and issue the relevant Shares to the grantee credited as fully paid. With effect from the Suspension Date, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavor to procure that the Share issued as a result of the exercise of options hereunder shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court), the rights of grantees to exercise their respective options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the New Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any grantee as a result of such proposal, unless any such loss or damage shall have been caused by the act, neglect, fraud or willful default on the part of the Company or any of its officers.

22. Lapse of options

An option shall lapse automatically on the earliest of:

- (A) the expiry of the period referred to in paragraph 11 above;
- (B) the date on which the Board exercises the Company's right to cancel, revoke or terminate the option on the ground that the grantee commits a breach of paragraph 14 above;
- (C) the expiry of the relevant period or the occurrence of the relevant event referred to in paragraphs 15, 16, 17, 19, 20 or 21 above;
- (D) subject to paragraph 20 above, the date of the commencement of the winding-up of the Company;
- (E) the occurrence of any act of bankruptcy, insolvency or entering into of any arrangements or compositions with his/her creditors generally by the grantee, or conviction of the grantee of any criminal offence involving his/her integrity or honesty;
- (F) where the grantee is only a substantial shareholder of any member of the Group, the date on which the grantee ceases to be a substantial shareholder of such member of the Group;
- (G) subject to the compromise or arrangement as referred to in paragraph 21 above becoming effective, the date on which such compromise or arrangement becomes effective; or

- (H) where the grantee of the option is a consultant, adviser, distributor, contractor, supplier, agent, customer, business partner or service provider of any member of the Group, on the date on which the Board resolves in its reasonable opinion that the grantee no longer provides any services/products to or orders any services/products from any member of the Group.

23. Cancellation of options granted but not yet exercised

Any cancellation of options granted but not exercised may be effected on such terms as may be agreed with the relevant grantee, as the Board may in its absolute discretion sees fit and in manner that complies with all applicable legal requirements for such cancellation.

24. Scheme Period

Subject to paragraphs 2 and 26, the New Share Option Scheme shall be valid and effective for a period of ten years commencing on the Adoption Date and shall expire at the close of business on the Business Day immediately preceding the tenth anniversary thereof, after which period no further options shall be offered or granted but the provisions of the New Share Option Scheme shall remain in full force and effect in all other respects to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options granted during the life of the New Share Option Scheme shall continue to be exercisable in accordance with their terms of grant within the option period.

25. Alteration to the New Share Option Scheme

- (A) The New Share Option Scheme may be altered in any respect by resolution of the Board except that alterations of the provisions of the New Share Option Scheme which alters to the advantage of the grantees of the options or prospective grantees of the options relating to matters governed by Rule 17.03 of the Listing Rules shall not be made except with the prior approval of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of any option granted or agreed to be granted prior to such alteration except with the consent or sanction such majority of the grantees as would be required of the Shareholders under the Articles of Association of the Company for a variation of the rights attached to the Shares.
- (B) Any amendment to any terms and conditions of the New Share Option Scheme, which are of a material nature, or any change to the terms of options granted, or any change to the authority of the Board in respect of alteration of the New Share Option Scheme must be approved by Shareholders in general meeting except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.

- (C) Notwithstanding anything to the contrary contained above, the Board may at any time alter or modify the New Share Option Scheme in any way to the extent necessary to cause the New Share Option Scheme to comply with any statutory provisions or the regulations of any regulatory or other relevant authority. Any amendment to any terms of the New Share Option Scheme or the options granted shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

26. Termination to the New Share Option Scheme

The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further options will be offered but options granted prior to such termination shall continue to be valid and exercisable in accordance with provisions of the New Share Option Scheme.



CAPITAL
VC LIMITED

首都創投有限公司

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*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*

(Stock Code: 02324)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“**Meeting**”) of Capital VC Limited (the “**Company**”) will be held at Room 602, 6th Floor, New World Tower, 16-18 Queen’s Road Central, Hong Kong on Tuesday, 10 December 2013 at 11:30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the directors’ report and auditor’s report for the year ended 30 June 2013.
2. To re-elect retiring directors and to authorise the board of directors to fix the directors’ remuneration.
3. To re-appoint auditors and to authorise the board of directors to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

(A) “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase shares of HK\$0.001 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution, and the said approval shall be limited accordingly; and
 - (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier 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 an ordinary resolution of the shareholders of the Company in general meeting; or
 - (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 law to be held.”
- (B) “THAT:
- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to issue, allot and deal with additional shares in the Company, and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power after the end of the Relevant Period;
 - (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any of the warrants or securities which are convertible into shares of the Company; or (iii) an issue of shares in the Company as scrip dividends pursuant to the Articles of Association of the

Company from time to time; or (iv) an issue of shares in the Company under any option scheme or similar arrangement for the grant or issue to employees of the Company and/or any of its subsidiaries of shares in the Company or rights to acquire shares in the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution, and the said approval shall be limited accordingly; and

- (d) for the purposes of this Resolution:

“Relevant Period” shall have the same meaning as those ascribed to it under paragraph (c) of the Ordinary Resolution No. 4(A) in the Notice convening this Meeting; and

“Rights Issue” means an offer of shares in the Company, open for a period fixed by the directors to the holders of shares, whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (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 recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

- (C) “THAT subject to the passing of the Ordinary Resolutions Nos. 4(A) and 4(B) in the Notice convening this Meeting, the aggregate nominal amount of shares which are to be purchased by the Company pursuant to the authority granted to the Directors as mentioned in Resolution No. 4(A) shall be added to the aggregate nominal amount of the share capital that may be allotted or agreed to be allotted by the Directors pursuant to Resolution No. 4(B).”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution of the Company:

“THAT subject to and conditional upon the Listing Committee of the The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the shares in the share capital of the Company to be issued pursuant to the exercise of options which may be granted under the new share option scheme (the “**Scheme**”, the rules of which are contained in the document marked “A” produced to the meeting and for the purposes of identification is signed by the chairman of the meeting), the adoption of the Scheme be and is hereby approved and any director of the Company be and is hereby authorised to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme including without limitation:

- (a) to administer the Scheme and grant options under the Scheme;

- (b) to modify and/or amend the Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Scheme relating to modification and/or amendment;
- (c) to issue and allot from time to time such number of shares as may be required to be issued pursuant to the exercise of the options under the Scheme provided always that the total number of shares issuable upon exercise of all options to be granted under the Scheme and any other share options schemes of the Company shall not exceed 10 per cent of the relevant class of the issued share capital of the Company as at the date of passing of this ordinary resolution, but the Company may seek approval of its shareholders in general meeting for refreshing the 10 per cent limit under the Scheme provided that the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company shall not exceed 30 per cent of the relevant class of the issued share capital of the Company from time to time;
- (d) to make application at the appropriate time or times to The Stock Exchange of Hong Kong Limited and any other applicable stock exchange(s) on which the issued shares of the Company may from time to time be listed, for listing of and, permission to deal in, any shares which may hereafter from time to time be issued and allotted pursuant to the exercise of the options under the Scheme; and
- (e) to consent, if he/she so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Scheme.”

By Order of the Board
Chan Cheong Yee
Executive Director

Hong Kong, 7 November 2013

Notes:

1. A member of the Company entitled to attend and vote at the meeting (or at any adjournment thereof) is entitled to appoint one, or if he is a holder of more than one share, more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy and the power of attorney (if any), under which it is signed or a certified copy thereof, must be lodged at the Company's branch registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the appointed time for holding the above meeting or any adjournment thereof.
3. Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish and in such event, the form of proxy shall be deemed to be revoked.