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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action you should take, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **China E-Learning Group Limited**, you should at once hand this circular and the enclosed form of proxy to the purchaser or the transferee or to the bank manager, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**CHINA E-LEARNING GROUP LIMITED**  
**中國網絡教育集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 08055)

**(I) PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND  
REPURCHASE ITS OWN SHARES AND EXTENSION OF ISSUE MANDATE**

**(II) PROPOSED RE-ELECTION OF DIRECTORS**

**AND**

**(III) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of China E-Learning Group Limited to be held at Unit 2610, 26th Floor, Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 15 May 2013 at 11:00 a.m. is set out on pages 12 to 15. Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page and the website of the Company at [www.chinae-learning.com](http://www.chinae-learning.com) for at least 7 days from the date of its posting.

28 March 2013

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## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

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**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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## DEFINITIONS

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*In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Unit 2610, 26th Floor, Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong, on Wednesday, 15 May 2013 at 11:00 a.m. or any adjournment thereof
“Articles”	the articles of association of the Company, and “Article” shall mean an article of the Articles
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Code on Share Repurchases”	the Code on Share Repurchases approved by the Commission as amended from time to time
“Commission”	Securities and Futures Commission of Hong Kong
“Company”	China E-Learning Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Connected Person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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## DEFINITIONS

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“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with additional Shares or securities convertible into such Shares or options, warrants or similar rights to subscribe for any Shares or convertible securities and to make or grant offers, agreements and options which might require the exercise of such power, in aggregate not exceeding 20% of the issued share capital of the Company at the date of passing of the resolution approving such grant
“Latest Practicable Date”	25 March 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company at the date of passing of the resolution approving such grant
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	holders of Shares
“Share(s)”	share(s) of nominal value of HK\$0.50 each in the share capital of the Company
“Substantial Shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers approved by the Commission as amended from time to time

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## LETTER FROM THE BOARD

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### CHINA E-LEARNING GROUP LIMITED 中國網絡教育集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 08055)

*Executive Directors:*

Mr. Chen Hong (*Chairman*)  
Ms. Wei Jianya

*Non-executive Director:*

Mr. Li Xiangjun

*Independent Non-executive Directors:*

Mr. Cheung Wai Tak  
Dr. Huang Chung Hsing  
Ms. Li Bailing

*Registered office:*

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

*Principal place of business  
in Hong Kong:*

Unit 2610, 26th Floor  
Office Tower  
Convention Plaza  
No. 1 Harbour Road, Wanchai  
Hong Kong

28 March 2013

*To the Shareholders*

Dear Sir or Madam,

**(I) PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND  
REPURCHASE ITS OWN SHARES AND EXTENSION OF ISSUE MANDATE**

**(II) PROPOSED RE-ELECTION OF DIRECTORS**

**AND**

**(III) NOTICE OF ANNUAL GENERAL MEETING**

#### **INTRODUCTION**

At an annual general meeting of the Company held on 11 May 2012, the Shareholders passed the ordinary resolutions to give general and unconditional mandates to the Directors to issue and allot additional Shares or securities convertible into Shares and to exercise the power of the Company to repurchase its own Shares in accordance with the GEM Listing Rules. During the period from 11 May 2012 to the Latest Practicable Date, the general mandate to issue and allot new Shares has been utilized as to 25,600,000 Shares, being 8.72% of the 293,610,938 Shares that are allowed to be allotted

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## LETTER FROM THE BOARD

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and issued under the general mandate. Meanwhile, the general mandate to repurchase its own Shares has not been utilized under the repurchase mandate. It is therefore proposed to refresh the Issue Mandate and the Repurchase Mandate at the AGM.

The purpose of this circular is to provide you with the relevant information regarding the proposal for refreshment of the Issue Mandate and the Repurchase Mandate, the extension of Issue Mandate and the re-election of retiring Directors, details of which are provided herein, to seek your approval of the ordinary resolutions relating to these matters at the AGM and to give you the notice of the AGM.

### ISSUE MANDATE

An ordinary resolution will be proposed at the AGM to grant to the Directors the Issue Mandate to exercise all the powers of the Company to allot, issue and otherwise deal with additional Shares or securities convertible into such Shares or options, warrants or similar rights to subscribe for any Shares or convertible securities and to make or grant offers, agreements and options which might require the exercise of such power, up to the limit of 20% of the aggregate nominal value of the issued share capital of the Company on the date of passing such resolution. In addition, an ordinary resolution will also be proposed to authorize an extension of the Issue Mandate by adding to the aggregate number of additional Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate the number of Shares repurchased under the Repurchase Mandate, if granted.

The Company had in issue an aggregate of 1,471,878,902 Shares as at the Latest Practicable Date. Subject to the passing of the ordinary resolution for approving the Issue Mandate, the Company will be allowed to allot, issue and deal with up to a maximum of additional 294,375,780 Shares under the Issue Mandate on the basis that no further Shares will be issued or repurchased between the Latest Practicable Date and the date of the AGM.

The Issue Mandate, if granted, will continue in force until, whichever occurs first, (a) the conclusion of the next annual general meeting of the Company after the AGM; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; or (c) the revocation or variation of the authority by an ordinary resolution of the Shareholders passed at a general meeting of the Company.

Details of the aforesaid ordinary resolutions are set out in ordinary resolutions numbered 4A and 4C in the notice of AGM.

### REPURCHASE MANDATE

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate to exercise all the powers of the Company to repurchase Shares on the GEM or on any other exchange on which the Shares have been or may be listed and recognized for this purpose by the Commission and the Stock Exchange under the Code on Share Repurchases, up to a limit of 10% of the issued share capital of the Company on the date of passing such resolution. The authority conferred by the resolution will only continue in force until, whichever occurs first, (a) the conclusion of the next annual general meeting of the Company after the AGM; or (b) the expiration of the period within

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## LETTER FROM THE BOARD

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which the Company is required by any applicable laws or the Articles to hold its next annual general meeting; or (c) the revocation or variation of such authority by an ordinary resolution of the Shareholders passed at a general meeting of the Company.

Details of the aforesaid ordinary resolution are set out in ordinary resolution numbered 4B in the notice of AGM.

Pursuant to the GEM Listing Rules, an explanatory statement containing all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate is set out in Appendix I hereto.

### RE-ELECTION OF DIRECTORS

In accordance with Article 87(1) and 87(2) of the Articles, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation. All retiring Directors shall be eligible for re-election at the forthcoming AGM.

Accordingly, Mr. Chen Hong, Mr. Li Xiangjun and Ms. Li Bailing will retire from office and, being eligible, offer themselves for re-election at the AGM. An ordinary resolution will be proposed at the AGM to re-elect the abovementioned Directors.

The biographical details in respect of the retiring Directors, as required under Chapter 17 of the GEM Listing Rules, are set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

The notice convening the AGM is set out on pages 12 to 15 of this circular.

Whether or not you propose to attend the AGM, you are requested to complete the enclosed form of proxy and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the AGM or any adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

All the resolutions proposed at the AGM will be taken by poll and an announcement on the results of the poll will be made by the Company after the AGM in accordance with the GEM Listing Rules.



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## LETTER FROM THE BOARD

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### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (a) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive;
- (b) there are no other matters the omission of which would make any statement in this circular misleading; and
- (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

### RECOMMENDATION

The Directors are of the opinion that the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, and re-election of retiring Directors are in the best interests of the Company and its Shareholders as a whole and, accordingly, recommend you to vote in favor of all the resolutions to be proposed at the forthcoming AGM.

Your attention is also drawn to the information as set out in the Appendices to this circular.

Yours faithfully,  
For and on behalf of the Board of  
**China E-Learning Group Limited**  
**Chen Hong**  
*Chairman*

*This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide the requisite information to you for your consideration of the Repurchase Mandate to be proposed at the AGM.*

### **1. NUMBER OF SHARES WHICH MAY BE REPURCHASED**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,471,878,902 Shares of HK\$0.50 each.

Subject to the passing of the resolution for the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 147,187,890 Shares (representing 10% of the issued share capital of the Company as at the Latest Practicable Date).

### **2. REASONS FOR REPURCHASES**

An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such a repurchase of Shares will benefit the Company and its shareholders.

### **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles, the GEM Listing Rules and the applicable laws of the Cayman Islands. The Company may not repurchase its Shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Pursuant to the Repurchase Mandate, repurchase would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under the laws of the Cayman Islands for the purpose.

An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the 2012 annual report of the Company), in the event that the proposed share repurchases were to be carried out in full at any time during the proposed repurchase period. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

#### 4. SHARE PRICES

The highest and lowest prices at which the Company's Shares have been traded on GEM during each of the twelve months preceding the Latest Practicable Date are as follows:

	Traded Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2012</b>		
March	0.1170	0.0930
April	0.1150	0.0960
May	0.1320	0.0960
June	0.1360	0.0950
July	0.1230	0.1000
August	0.1590	0.1000
September	0.2030	0.1410
October	0.2000	0.1590
November	0.1950	0.1500
December	0.2000	0.1700
<b>2013</b>		
January	0.2000	0.1600
February	0.1840	0.1650
March (up to the Latest Practicable Date)	0.1900	0.1730

#### 5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the applicable laws of the Cayman Islands and the Articles.

#### 6. TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases upon the Company exercising its power to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, 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.

Assuming that the Substantial Shareholder (as defined in the GEM Listing Rules) of the Company do not dispose of his/her Shares, if the Repurchase Mandate was exercised in full, the percentage shareholding of the Substantial Shareholder of the Company before and after such repurchase would be as follows:

<b>Substantial Shareholder</b>	<b>Number of Shares held</b>	<b>Approximate percentage of shareholding before repurchase</b>	<b>Approximate percentage of shareholding after repurchase</b>
Yang Dong Jun	207,554,896	14.10%	15.67%

As shown in the above table, the exercise of the Repurchase Mandate in full shall not give rise to an obligation of the existing Shareholders to make a mandatory offer under Rule 26 of the Takeovers Code.

#### **7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

To the best of their knowledge after making all reasonable enquiries, neither the Directors nor any of their associates have notified the Company of any present intention, if the Repurchase Mandate is approved by Shareholders, to sell any Share to the Company.

As at the Latest Practicable Date and to the best knowledge of the Directors, none of the Connected Persons of the Company have notified the Company that they have a present intention to sell any Share to the Company or have undertaken not to sell any of the Share held by them to the Company in the event that the Repurchase Mandate is passed.

#### **8. SHARE REPURCHASES MADE BY THE COMPANY**

The Company has not repurchased any Shares on the Stock Exchange during the six months preceding the Latest practicable Date.

*The following are the particulars of the Directors who are proposed to be re-elected at the AGM:*

### **Executive Director**

**Mr. Chen Hong (“Mr. Chen”)**, aged 44, was appointed as an Executive Director and Chairman of the Company on 1 April 2008; and the authorized representative and compliance officer of the Company on 22 September 2008, Mr. Chen holds a Master of Business Administration from Peking University, China. Mr. Chen has previously worked in several technology companies and investment companies in China as senior management, and had extensive experience in corporate management and investment. Mr. Chen is mainly responsible for the strategy formulation of the Company.

Save as disclosed herein, Mr. Chen did not hold any directorships in any listed public company in the last four years preceding the Latest Practicable Date.

As at the Latest Practical Date, Mr. Chen has interest in 79,510,480 Shares of the Company and share options to subscribe for 6,377,306 Shares of the Company within the meaning of Part XV of the SFO.

Mr. Chen has entered into a service contract with the Company for a term of 3 years. The remuneration of Mr. Chen is HK\$1,000,000 per annum, which was determined with reference to his duties and responsibilities.

Save as disclosed above, Mr. Chen does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders (as respectively defined in the GEM Listing Rules) of the Company.

### **Non-executive Director**

**Mr. Li Xiangjun (“Mr. Li”)**, aged 41, was appointed as a non-executive director of the Company on 7 December 2012. Mr. Li received a bachelor degree in law in the People’s Republic of China in 1996. In 2003, he obtained the certificate of graduation from the master’s degree program for international economic law of the University of International Business and Economics in the People’s Republic of China. Mr. Li has been engaged in the legal services industry since 1999. He is currently a practicing lawyer in the People’s Republic of China and a member of the Beijing Lawyers Association. He used to be the Corporate Law Consultant or Legal Consultant for Special Affairs for large state-owned enterprises, including China FAW Group, Lenovo Group and China Life Insurance Group, and large foreign enterprises, including Asia Link Group Inc., Zhenglin Food Co., Ltd. and Dongguan Hsu Chi Foods Co. Limited. From 22 September 2008 to 11 June 2009, Mr. Li was an executive director of the Company. From 24 June 2010 to 22 October 2012, Mr. Li was an independent non-executive director of Superb Summit International Group Limited (stock code: 1228), whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Since 11 June 2009, Mr. Li has been a director of China E-Learning (Hong Kong) Company Limited, a wholly owned subsidiary of the Company. Save as disclosed herein, prior to this appointment, Mr. Li does not hold any position with the Company and its subsidiaries and he does not hold any directorship in other listed companies nor has any other major appointment or qualification in the last three years preceding the Latest Practicable Date.

As at the Latest Practical Date, Mr. Li has interest in 313,590 Shares of the Company and share options to subscribe for 4,000,000 Shares of the Company within the meaning of Part XV of the SFO.

Mr. Li has entered into a service contract with the Company for a term of 3 years. The remuneration of Mr. Li is HK\$100,000 per annum, which was determined with reference to his duties and responsibilities.

Save as disclosed above, Mr. Li does not have any relationship with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders (as respectively defined in the GEM Listing Rules) of the Company.

#### **Independent Non-executive Director**

**Ms. Li Bailing** (“**Ms. Li**”), aged 44, has been appointed as an independent non-executive director, member of the Audit Committee and member of the Remuneration Committee of the Company with effect from 18 January 2013. Ms. Li graduated from Xi’an International Studies University in China in 1990. She started her career in the Beijing office of the People’s Government of Jilin Province in 1990, and subsequently served as representative of the Beijing offices for various companies. Ms. Li currently serves as manager of BONELLI Top Sourcing (北京寶耐力光電科技有限公司), and has rich managerial experiences in science and technology companies.

Ms. Li has entered into a service contract with the Company for a term of 3 years. The remuneration of Ms. Li is HK\$100,000 per annum, which was determined with reference to her duties and responsibilities.

Save as disclosed above, Ms. Li does not hold any other position in the Company or any of its subsidiaries nor did she hold any directorship in any public listed companies in the last three years preceding the Latest Practicable Date. As at the Latest Practicable Date, Ms. Li did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters in relation to the proposed re-election of the retiring Directors that are required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules or that need to be brought to the attentions to the Shareholders.

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## NOTICE OF ANNUAL GENERAL MEETING

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### CHINA E-LEARNING GROUP LIMITED 中國網絡教育集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 08055)

**NOTICE IS HEREBY GIVEN** that the 2012 Annual General Meeting of China E-Learning Group Limited (the “Company”) will be held at Unit 2610, 26th Floor, Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong on Wednesday, 15 May 2013 at 11:00 a.m. for the following purposes:-

1. To consider and adopt the audited financial statements and the reports of the directors and the auditors for the year ended 31 December 2012.
2. To re-elect the retiring directors and to authorize the board of directors to fix their remuneration.
3. To re-appoint auditors and to authorize the board of directors to fix their remuneration.
4. As special business, to consider, and if thought fit, pass the following resolutions as ordinary resolutions with or without amendments as Ordinary Resolutions:-

**A. “THAT:—**

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or options, warrants, or similar rights to subscribe for any shares or convertible securities and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which 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), issued or dealt with by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this Resolution), (ii) 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, (iii) the exercise of any options granted

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## NOTICE OF ANNUAL GENERAL MEETING

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under any option scheme or similar arrangement for the time being adopted for the grant or issued to eligible persons of options to subscribe for, or rights to acquire, share of the Company or, (iv) any scrip dividend or similar arrangement providing for the allotment of shares in the capital of the Company in lieu of the whole or part of the cash payment for any dividend on shares of the Company pursuant to the Articles of Association of the Company from time to time, shall not in aggregate exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution and the said approval shall be limited accordingly; and

(d) for the purposes 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 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
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company passed at a general meeting of the Company.

“Rights Issue” means the allotment, issue or grant of shares open in the capital of the Company pursuant to an offer of shares open for a period fixed by the Directors made to holders of shares of the Company or any class thereof 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 or class thereof (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 law of, or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company).”



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## NOTICE OF ANNUAL GENERAL MEETING

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**B. “THAT:—**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this Resolution) of all powers of the Company to repurchase its own issued shares in the capital of the Company in accordance with laws and requirements and regulations of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other exchanges on which the shares of the Company may be listed and recognized by The Securities and Futures Commission of Hong Kong and The Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange 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 shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) 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 passing 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 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
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in a general meeting of the Company.”

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## NOTICE OF ANNUAL GENERAL MEETING

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- C. “**THAT** subject to the passing of the Ordinary Resolution Nos. 4A and 4B, the general mandate granted to the Directors to allot, issue and deal with additional securities of the Company pursuant to Resolution No. 4A be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to Resolution No. 4B, provided that the nominal amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution”.

By Order of the Board  
**Chen Hong**  
*Chairman*

Hong Kong, 28 March 2013

*Registered office:*

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

*Principal Place of Business in Hong Kong:*

Unit 2610, 26th Floor  
Office Tower  
Convention Plaza  
No. 1 Harbour Road, Wanchai  
Hong Kong

*Notes:—*

1. Any member of the Company entitled to attend and vote at the meeting shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. A proxy need not be a member of the Company.
2. 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 authority, must be delivered at the Company’s branch registrar and transfer office in Hong Kong. Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the appointed time for holding the meeting or any adjournment thereof.
3. Completion and return of the form of proxy will not preclude members from attending and voting at the annual general meeting or any adjournment thereof and in such event, the instrument appointing the proxy shall be deemed to be revoked.