
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Heritage International Holdings Limited (the “Company”), you should at once hand this circular and the enclosed form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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**HERITAGE INTERNATIONAL HOLDINGS LIMITED****漢基控股有限公司****(Incorporated in Bermuda with limited liability)*

(Stock Code: 412)

**(1) MAJOR TRANSACTION –
DISPOSAL OF INTERESTS IN GOLD MOUNTAIN LIMITED;
AND
(2) NOTICE OF THE SGM**

A notice convening a special general meeting of the Company to be held at YUE – Function Room, V234, 1/F., City Garden Hotel, 9 City Garden Road, North Point, Hong Kong at 9:00 a.m. on Monday, 13 July 2015 is set out on pages 36 to 37 of this circular. A form of proxy for use by the shareholders of the Company at the special general meeting is enclosed herein. Whether or not you are able to attend the meeting in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish.

* For identification purpose only

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 21 May 2015 in relation to the Disposal
“Board”	the board of Directors
“Business Day(s)”	any day on which banks in Hong Kong generally are open for clearing and settlement business, except a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning No.8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“Company”	Heritage International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 412)
“Completion”	the completion of the Disposal pursuant to the Disposal Agreement
“Completion Date”	the date for Completion to be determined by the Vendor and the Purchaser, which shall not be later than one (1) calendar month after the date of fulfilment (or, if applicable, waiver) of all the conditions under the Disposal Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Disposal
“Directors”	the directors of the Company
“Disposal”	the disposal of the Sale Shares and the Sale Loan by the Vendor to the Purchaser pursuant to the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement entered into between the Vendor and the Purchaser on 21 May 2015 (after trading hours) in respect of the Disposal
“Disposal Group”	Gold Mountain and its subsidiaries to be disposed pursuant to the Disposal Agreement
“Final Valuation”	the valuation of the market value of the Forestlands as stated in the Valuation Report provided by LCH, an independent professional valuer

DEFINITIONS

“Forestlands”	parcels of forest lands held by 盛源(天津)投資管理服務有限公司 (Shengyuan Investments Management Services (Tianjin) Co. Limited*), a wholly foreign-owned enterprise established in Tianjin, the PRC and an indirect wholly-owned subsidiary of the Vendor, in various locations in Sanxingkou Town, Qinglong Manchu Autonomous County, Qinhuangdao City, Hebei Province, the PRC, as referred to in this circular
“Gold Mountain”	Gold Mountain Limited, a company incorporated in the Republic of the Marshall Islands on 13 May 2013, being a wholly-owned subsidiary of the Vendor
“Group”	the Company and its subsidiaries
“HKFRS”	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) who/which is/are not connected with the Company and its connected persons (as defined under the Listing Rules)
“LCH”	LCH (Asia-Pacific) Surveyors Limited, an independent professional valuer
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, Macau and Taiwan
“Purchaser”	Trillion Cheer Toprich Limited
“Sale Loan”	the entire shareholder’s loan and other indebtedness owed by the Gold Mountain or (where applicable) its subsidiaries to the Vendor or its associates as at Completion
“Sale Shares”	100 ordinary shares of US\$1 each, representing all the issued shares of Gold Mountain, which are wholly-owned by the Vendor
“Share(s)”	ordinary shares with par value of HK\$0.00025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) of the Company

DEFINITIONS

“SGM”	the special general meeting of the Company to be convened on Monday, 13 July 2015 for the purpose of considering and, if thought fit, approving, among other things, the Disposal, the Disposal Agreement and the transactions contemplated thereunder
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed thereto under the Listing Rules
“Valuation Report”	the valuation report prepared by LCH, the independent professional valuer and included herein as Appendix II
“Vendor”	the Company
“RMB”	Renminbi, the lawful currency of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States

In the event of any inconsistency, the English text of this circular and the accompanying form of proxy shall prevail over the Chinese text.

* *for identification purpose only*

LETTER FROM THE BOARD



HERITAGE INTERNATIONAL HOLDINGS LIMITED

漢基控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 412)

Executive Directors:

Mr. Yau Wai Lung
Dr. Jonathan Ross
Mr. Ma Chao

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Mr. To Shing Chuen
Mr. Chung Yuk Lun
Mr. Cheung Wing Ping

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

29th Floor
China United Centre
28 Marble Road
North Point, Hong Kong

24 June 2015

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR TRANSACTION –
DISPOSAL OF INTERESTS IN GOLD MOUNTAIN LIMITED;
AND
(2) NOTICE OF THE SGM**

INTRODUCTION

On 21 May 2015 (after trading hours), the Company (as the Vendor) entered into the Disposal Agreement with the Purchaser, pursuant to which the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Sale Shares and the Sale Loan at a cash consideration of HK\$720,000,000 (as adjusted). The Sale Shares represent the entire issued share capital of Gold Mountain. The Sale Loan represents the entire shareholder's loan and other indebtedness owed by Gold Mountain or (where applicable) its subsidiaries to the Vendor or its associates as at Completion.

The purpose of this circular is to provide further information regarding the Disposal, among other things, (i) details of the Disposal Agreement and the Disposal; (ii) the valuation report in respect of the Forestlands; (iii) certain financial information of the Group; and (iv) the notice of the SGM.

* For identification purpose only

LETTER FROM THE BOARD

THE DISPOSAL AGREEMENT

Date

21 May 2015 (after trading hours)

Parties

Vendor: the Company

Purchaser: Trillion Cheer Toprich Limited, a company incorporated in Samoa with limited liability.

The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner is an Independent Third Party. The Directors confirm that, to the best of their knowledge, information and belief after having made all reasonable enquiries, the Purchaser is a wholly-owned subsidiary of HEC Capital Limited which is principally engaged in investment holding, property investment, commodities dealer, money lending, nominees, securities brokerage and financial services, corporate finance advisory services, asset management, investment advisory and fund management.

Assets to be disposed of

- (i) The Vendor agreed to sell and the Purchaser agreed to purchase the Sale Shares at Completion free from all encumbrances and together with all rights attaching to it on or after the Completion Date, including all rights to any dividend or other distribution declared, made or paid the record date of which falls on or after the Completion Date. The Sale Shares represent the entire issued share capital of Gold Mountain.
- (ii) The Vendor shall as beneficial owner agreed to sell and assign (and procure the sale and assignment of) and the Purchaser shall purchase and accept the assignment of all rights, title, benefits and interests of, to and in the Sale Loan free from all encumbrances, together with all rights attached, accrued or accruing thereto as at Completion Date including rights to enforce and recover the same.

Details of the principal activities and financial information of Gold Mountain are set out in the paragraph headed "Information on Gold Mountain" below.

Consideration and payment terms

The Consideration of HK\$720,000,000 shall be paid and satisfied by the Purchaser in cash to the Vendor in full on Completion.

The Consideration was determined after arm's length negotiation between the Purchaser and the Vendor after taking into consideration the preliminary valuation of HK\$720,000,000 of market value of the Forestlands owned by the Disposal Group as provided by the independent professional valuer, LCH, as at 30 April 2015.

LETTER FROM THE BOARD

The valuation of the Forestlands was arrived at by using the Sales Comparison Approach (known as the Market Approach) on an “as-is” and “where-is” basis with reference to sales, listing or offerings of similar or substitute property and assuming that the Forestland can be disposed of free of all encumbrance. The valuation report is set out in Appendix II to this circular.

Conditions precedent

Completion of the Disposal Agreement is conditional upon the fulfillment of all of the following conditions precedent:

- (a) the results of the legal and financial due diligence conducted by the Purchaser over the Disposal Group, including but not limited to the affairs, business, assets, liabilities, operations, records, financial position, value of assets, accounts, results, legal and financial structure of the Disposal Group, being completed to the reasonable satisfaction of the Purchaser;
- (b) the Purchaser having received the Valuation Report in form and substance satisfactory to the Purchaser and the Final Valuation (as defined below) as stated in the Valuation Report shall be not less than HK\$700,000,000 (the “**CP Value**”);
- (c) the passing of the necessary resolution(s) by the Shareholders in the special general meeting to approve the Disposal Agreement and the transactions contemplated in or incidental to the Disposal Agreement in accordance with the requirements of the Listing Rules;
- (d) if applicable, the obtaining of all consents from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Disposal Agreement and any of the transaction contemplated thereunder; and
- (e) the Vendor’s warranties remaining true and accurate, and not misleading, in all material respects as at Completion.

The Purchaser may waive the conditions set out above (other than conditions (c) and (d)) by written notice to the Vendor.

As at the Latest Practicable Date, save for the condition (b) has been fulfilled, none of the other conditions precedent to the Disposal Agreements has been fulfilled.

In the event that all the conditions are not fulfilled (or waived pursuant to Disposal Agreement) and remain unfulfilled on or before 30 September 2015 (or such later date as may be agreed by the parties in writing), the Disposal Agreement shall automatically terminate and all rights, obligations and liabilities of the parties shall cease and determine and none of the parties shall have any claim against the other provided that rights and liabilities of any of the parties which have accrued prior to termination shall subsist.

LETTER FROM THE BOARD

Adjustment to the Consideration

Pursuant to the Disposal Agreement, the Consideration shall be adjusted in the following circumstance (i) but no adjustment shall be made in circumstances (ii) or (iii):

- (i) If the Valuation as stated in the Valuation Report (the “**Final Valuation**”) is equal to or exceeds the amount of HK\$740,000,000, then the Consideration shall be adjusted to the amount of HK\$740,000,000;
- (ii) If the Final Valuation exceeds the CP Value but is less than HK\$740,000,000, no upward or downward (if applicable) adjustment shall be made to the Consideration; and
- (iii) If the Final Valuation is below the CP Value and the Purchaser elects at its sole discretion to waive condition (b) to the Disposal Agreement and proceed to Completion, no downward adjustment shall be made to the Consideration.

The Final Valuation of the Forestlands is HK\$714,500,000. Since the Final Valuation of HK\$714,500,000 is not less than HK\$700,000,000, one of the conditions precedent to the Disposal Agreement that the Purchaser having received the Valuation Report in form and substance satisfactory to the Purchaser and the Final Valuation (as defined below) as stated in the Valuation Report shall be not less than CP Value has been fulfilled.

For details, please refer to the Valuation Report as shown in the Appendix II to the Circular.

Completion

Completion will take place within one calendar month after the date of all conditions precedent to the Disposal Agreement being fulfilled (or being waived). Upon the completion of the Disposal, the Disposal Group will cease to be subsidiaries of the Company.

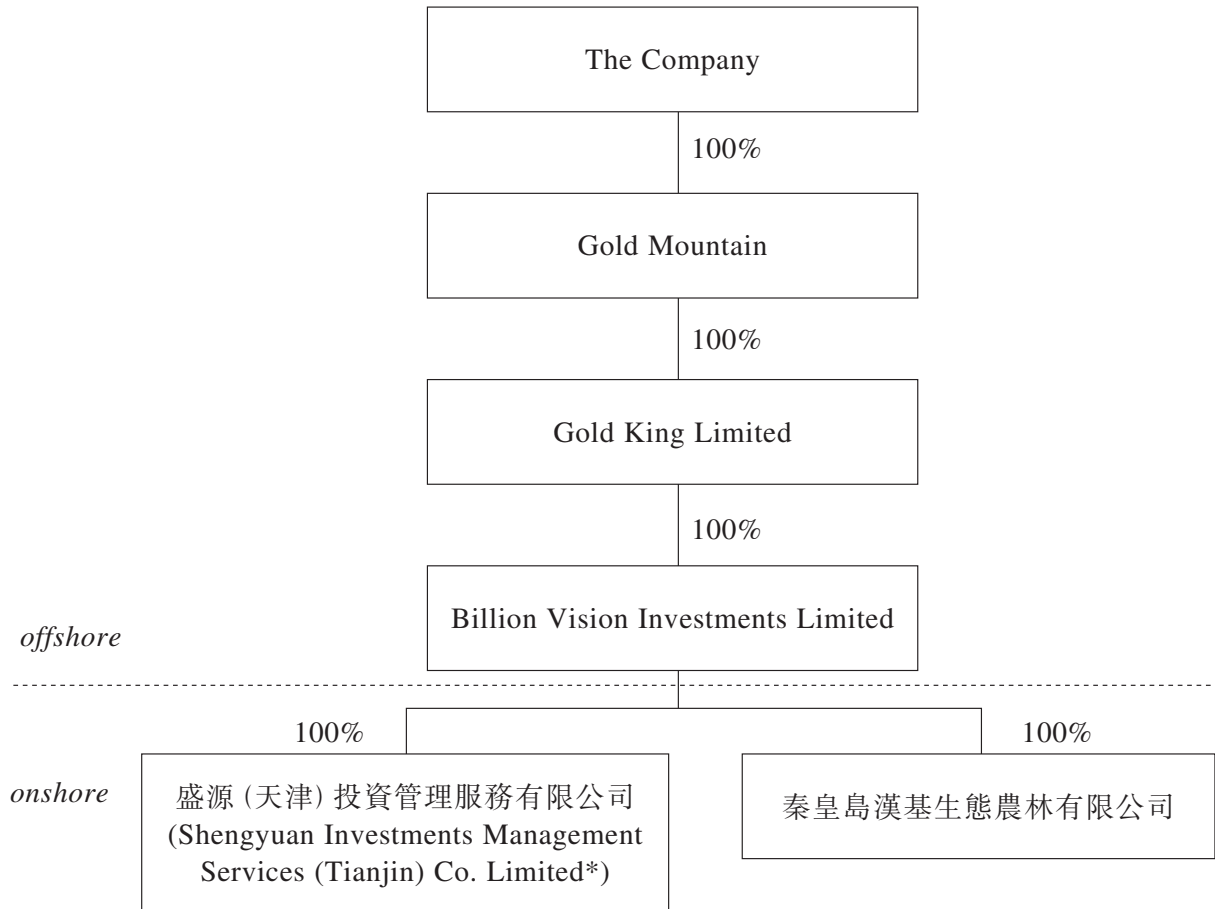
INFORMATION ON GOLD MOUNTAIN

Gold Mountain and its subsidiaries is a group of companies whose principal asset is forestlands with a total area of 63,035.29 Chinese Mu located in Qinglong Manchu Autonomous County (青龍滿族自治縣) of Hebei Province, the PRC. The Disposal Group is principally engaged in investment in and management of forest operations in the PRC. As at the date of the Disposal Agreement, the major assets of the Disposal Group are the Forestlands and its biological assets.

On 5 April 2013, a wholly-owned subsidiary of the Company acquired the entire interest in Global Castle Investments Limited, which principally held the Forestlands pursuant to a sale and purchase agreement dated 5 October 2012 that was supplemented by a supplemental agreement dated 24 December 2012, at a total consideration of HK\$800,000,000.

LETTER FROM THE BOARD

Set out below is the current shareholding structure of the Disposal Group:



The following table sets out a summary of the unaudited consolidated financial information of Gold Mountain for the two years period from 1 January 2013 to 31 December 2013 and from 1 January 2014 to 31 December 2014 prepared in accordance with the HKFRS:

	From 1 January 2014 to 31 December 2014 (unaudited) HK\$'000	From 1 January 2013 to 31 December 2013 (unaudited) HK\$'000
Loss before tax	20,183	16,545
Loss after tax	16,089	13,395
		As at 31 December 2014 (unaudited) HK\$'000
Net liabilities		22,223

LETTER FROM THE BOARD

FINANCIAL EFFECT OF THE DISPOSAL

Upon the completion of the Disposal, the Disposal Group will cease to be subsidiaries of the Company, and their financial results will cease to be consolidated with the accounts of the Company. Based on the calculation of the consideration of HK\$720,000,000 for the Disposal less/(add) (i) the unaudited consolidated net liabilities of the Disposal Group as at 31 December 2014 of approximately HK\$(22,223,000); (ii) the assignment of the Sale Loan as at 31 December 2014 of approximately HK\$805,292,000 by the Company to the Purchaser; and (iii) the related expenses of approximately HK\$5,000,000, it is expected that, upon Completion, an unaudited loss before taxation of approximately HK\$68,069,000 will be recognised from the Disposal.

Turnover

According to the annual report of the Company for the year ended 31 March 2014, the turnover of the Group for the year ended 31 March 2014 was approximately HK\$14,484,000. Based on the audited financial information of the Disposal Group for the year ended 31 March 2014, there was no turnover generated from the Disposal Group. The turnover of the Group is expected to be unchanged after the Disposal.

Earnings

According to the annual report of the Company for the year ended 31 March 2014, the loss of the Disposal Group for the year ended 31 March 2014 was approximately HK\$21,902,000. The Group expects to recognise a loss from the Disposal of approximately HK\$68,069,000. However, the actual loss on the Disposal may differ as the amount will be calculated based on the audited carrying value of the Disposal Group on Completion.

In addition, in view of the loss-making position of the Disposal Group, it is expected that the earnings of the Group after the Disposal would improve.

Assets and liabilities

According to the annual report of the Company for the year ended 31 March 2014, the audited net assets of the Group as at 31 March 2014 was approximately HK\$1,509,074,000. Upon Completion, Gold Mountain will cease to be a subsidiary of the Company and its assets and liabilities will be deconsolidated from the Group's future financial statements. Accordingly, both total assets and total liabilities of the Group would decrease as a result of the Disposal.

USE OF PROCEEDS

Subject to Completion, net proceeds of approximately HK\$715,000,000 will be used for looking for potential acquisitions projects, development of internet financing services, investment in securities and working capital for daily operation.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company, the Group is principally engaged in investment in listed securities, money lending, property investment and investment in and management of forest operations.

As stated in the management's discussion and analysis of the interim report of the Company for the six months ended 30 September 2014, the Group will focus on the development of the Group's money lending business while seeking opportunities to diversify into other areas in order to enhance the Group's performance and increase shareholders' value. Recent proposed investment in the financial leasing transaction platform and online and offline auto sales and related business platform in the PRC (as announced by the Company in the announcements dated 10 April 2015 and 17 April 2015 respectively) allow the Group to further expand in the financial services businesses and develop proprietary trading businesses.

In recent years, the performance of the business of the Disposal Group was unsatisfactory. The Disposal Group has been loss-making and therefore has dragged down the financial performance of the Company as a whole. In view of new business opportunities that came to the Group as mentioned above and the unsatisfactory financial performance of the Disposal Group's business which resulted in the change of intention by the Company on the Disposal Group for further development, the Company decided to dispose of the Disposal Group and the Disposal is expected to allow the Company to reallocate resources to focus on the provision of financial services businesses including internet-based financial services as mentioned above.

In view of the above reasons and benefits, the Directors are of the view that entering into Disposal Agreement by the Company is fair and reasonable and entering into the Disposal Agreement are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Disposal are higher than 25% but below 75%, the Disposal constitutes a major transaction for the Company and is subject to the notification, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, the Purchaser and its associates hold 60,804,028 Shares representing approximately 0.359% of the total issued share capital of the Company. If the Purchaser and/or its associate holds any Shares as at the SGM, the Purchaser and/or its associate is considered to have a material interest in the Disposal and will abstain from voting in favour of the resolutions relating to the Disposal at the SGM to the extent of the Shares it holds (if any). Save as disclosed above, to the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no other Shareholders or any of their respective associates have any material interest in the Disposal. As such, no other Shareholders would be required to abstain from voting in favour of the resolution(s) approving the Disposal at the SGM.

LETTER FROM THE BOARD

THE SGM

The SGM will be convened at YUE – Function Room, V234, 1/F., City Garden Hotel, 9 City Garden Road, North Point, Hong Kong at 9:00 a.m. on Monday, 13 July 2015 to consider and, if thought fit, to approve the Disposal Agreement and the transaction contemplated thereunder. The notice of the SGM is set out on pages 36 to 37 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy 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 SGM or any adjournment thereof to the office of the Registrar. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish. The resolution put to vote at the SGM will be decided by way of poll.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the SGM will therefore demand a poll for every resolution to be voted at the SGM.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 8 July 2015 to Monday, 13 July 2015, both days inclusive, for the purpose of determining Shareholders' entitlement to attend and vote at the SGM.

In order to qualify for attending and voting at the SGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 7 July 2015.

RECOMMENDATION

The Board is of the opinion that the Disposal and the Disposal Agreement are in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the SGM.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
Heritage International Holdings Limited
Yau Wai Lung
Executive Director

1. AUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The published audited consolidated financial statements of the Group for the three years ended 31 March 2012, 2013 and 2014 are disclosed in the annual reports of the Company for the three years ended 31 March 2012, 2013 and 2014 and the interim report of the Company for the six months period ended 30 September 2014. They can be accessed on the websites of the Company (www.heritage.com.hk) and the Stock Exchange (<http://www.hkexnews.hk>).

Please see below quick link to p.4 to p.40 as shown in the interim report for the six months ended 30 September 2014 of the Company:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/1208/LTN20141208320.pdf>

Please see below quick link to p.27 to p.145 as shown in the annual report for the year ended 31 March 2014 of the Company:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0715/LTN20140715401.pdf>

Please see below quick link to p.25 to p.118 as shown in the annual report for the year ended 31 March 2013 of the Company:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2013/0723/LTN20130723305.pdf>

Please see below quick link to p.25 to p.122 as shown in the annual report for the year ended 31 March 2012 of the Company:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2012/0706/LTN20120706420.pdf>

2. INDEBTEDNESS

As at the close of business on 30 April 2015, being the latest practicable date for the sole purpose of this statement of indebtedness prior to the date of this Circular, the total outstanding borrowings of the Group comprises an unguaranteed margin loan of approximately HK\$3,202,000, which is secured by listed equity securities with an aggregate market value of approximately HK\$12,704,000, and unsecured and unguaranteed 7-year, 5% bonds issued by the Company with aggregate principal amounts of approximately HK\$20,000,000.

As at 30 April 2015, the Group's investments in listed equity securities with an aggregate market value of approximately HK\$23,156,000 were pledged to certain financial institutions to secure certain margin financing facilities granted to the Group. The Group had not utilised such facilities.

In addition, the entire capital of Shengyuan Investments Management Services (Tianjin) Co. Limited, a wholly-owned subsidiary of the Company, amounting to HK\$9,000,500 is pledged to a bank in Hong Kong to secure a proposed banking facility of HK\$300,000,000 granted to the Group. Such banking facility had been authorised but unissued as at 30 April 2015.

Disclaimer

Except as disclosed and apart from intra-group liabilities, the Group did not have, as of 30 April 2015, any other debt securities issued and outstanding, and authorised or otherwise created but unissued, terms loans, other borrowings and indebtedness, bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, finance lease obligation, mortgages, charges, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors are satisfied after due and careful enquiry that taking into account the present internal financial resources of the Group and the available banking facilities, in the absence of unforeseen circumstances, the Group has sufficient working capital for its present requirements, that is, for at least twelve months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 31 March 2014, the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

As stated in the interim report of the Company for the six months ended 30 September 2014, during such period the Group made a profit before tax of approximately HK\$106.48 million. The profit is mainly attributable to the unrealised fair value gain arising from equity investments at fair value through profit or loss for the six months ended 30 September 2014.

By completion of the disposal, the Group will be able to focus on the development of the money lending and financial services businesses while seeking opportunities to diversify into other areas in order to enhance the Group's performance and increase shareholders' value.

Subsequent to the Disposal, the Company will be engaged in investments in securities and money lending as the remaining businesses and expects to complete the acquisition of a financial leasing company in the second half of 2015.

The Company is optimistic on investments in securities business due to the launch of Shanghai-Hong Kong Stock Connect on 17 November 2014 that it opened up the capital markets in Hong Kong and China.

The Company is also optimistic on the money lending business and plans to increase its effort in this line of business. While the business environment is still challenging, with low gearing and solid financial position, management believes that a cautious approach in the money lending field will enable it to manage risk and conduct this business profitably.

The Company has signed a sale and purchase agreement to acquire a group which is engaged in the financial leasing business. The investment in the target group will assist the Company to quickly expand into the unique PRC and Hong Kong financial leasing business and platform. The Directors believe that the target group can provide business synergies to the Company and that the financial leasing transaction platform can generate a stable income source for the Company. Management believes that the acquisition will strengthen the Company's competitiveness and further enhance the Company's future business positioning.



The readers are reminded that the report which follows has been prepared in accordance with the reporting guidelines set by the International Valuation Standard 2013 (the “IVS”) published by the International Valuation Standards Council as well as the HKIS Valuation Standards 2012 (the “HKIS Standards”) published by the Hong Kong Institute of Surveyors (the “HKIS”). Both standards entitle the valuer to make assumptions which may on further investigation, for instance by the readers’ legal representative, prove to be inaccurate. Any exception is clearly stated below. Headings are inserted for convenient reference only and have no effect in limiting or extending the language of the paragraphs to which they refer. Translation of terms in English or in Chinese are for reader’s identification purpose only and have no legal status or implication in this report. This report was prepared and signed off in English format, translation of this report in language other than English shall only be used as a reference and should not be regarded as a substitute for this report. Piecemeal reference to this report is considered to be inappropriate and no responsibility is assumed from our part for such piecemeal reference. It is emphasised that the findings and conclusion presented below are based on the documents and facts known to the valuer at the date of this report. If additional documents and facts are made available, the valuer reserves the right to amend this report and its conclusion.

17th Floor
Champion Building
287-291 Des Voeux Road Central
Hong Kong

24 June 2015

The Board of Directors
Heritage International Holding Limited
29th Floor, China United Centre
No.28 Marble Road
North Point
Hong Kong

Dear Sirs,

In accordance with the instruction given by the present management of Heritage International Holding Limited (hereinafter referred to as the “Instructing Party”) to us to conduct an agreed-upon procedures valuation services on the possible market value less cost to sell of certain parcels of forest land (hereinafter referred to as the “Forestlands”) in various locations in Sanxingkou Township, Qinglong Manchu Autonomous County, Qinhuangdao City, Hebei Province of the People’s Republic of China (hereinafter referred to as the “PRC” or “China”) in which Heritage International Holding Limited (hereinafter referred to as the “Company”) and its subsidiaries (collectively, hereinafter together with the Company referred to as the “Group”) have interests, we confirm that we have conducted inspection, made relevant enquiries and obtained such further information as we consider necessary to support our

findings and our conclusion of value of the Forestlands as at 30 April 2015 (hereinafter referred to as the “Valuation Date”) for the Instructing Party internal management reference purpose. We are given to understand that the Forestlands valued is held by 盛源(天津)投資管理服務有限公司 (translated Shengyuan Investments Management Services (Tianjin) Co., Limited and hereinafter referred to as “Shengyuan”).

We understand that the use of our work product (regardless of form of presentation) will form part of the Instructing Party’s due diligence, but we have not been engaged to make specific sales or purchase recommendations, or to give opinion for financing arrangement. We further understand that the use of our work product will not supplant other due diligence which the Instructing Party should conduct in reaching its business decision regarding the Forestlands valued. Our work is designed solely to provide information that will give the Instructing Party a reference in its due diligence process, and our work should not be the only factor to be referenced by the Instructing Party.

At the request of the Instructing Party, we prepared this summary report (including this letter and the valuation certificate) to summarise our findings and conclusion of value as documented in the valuation report for the purpose of inclusion in this circular at today’s date for the Company’s shareholders’ reference. Terms herein used without definition shall have the same meanings as in the valuation report, and the assumptions and caveats adopted in the valuation report also applied to this summary report.

Basis of Valuation and Assumptions

According to the IVS, which the HKIS Standards also follows, there are two valuation bases, namely market value basis and valuation bases other than market value. In this engagement, we have provided our conclusion of value of the Forestlands based on market value on “as-is” and “where is” basis, and the costs to sell were provided by the Instructing Party.

The term “Market Value” is defined by the IVS as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Unless otherwise stated, our valuation of the Forestlands has been made on the assumptions, that, as at the Valuation Date:

- the legally interested party in the Forestlands sells the Forestlands in its highest and best form and as part of a going concern business of Shengyuan in the market without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which would serve to increase the value of the Forestlands;
- the legally interested party in the Forestlands has free and uninterrupted rights to assign the interests for the whole of the unexpired terms as granted and any premiums payable have already been fully paid;
- all required licenses, certificates, consents, or other legislative or administrative authority from any local, provincial, or national government or private entity or organisation have been or can readily be obtained or renewed for any use on which the value estimates contained in our report are based;

- the Forestlands has obtained relevant government's/organisation's approvals for the sale of the Forestlands and is able to be disposed of and transferred free of all encumbrances in the market;
- the Forestlands, as advised, under the management of Shengyuan, can be freely disposed and transferred free of all encumbrances for its existing or approved uses in the market to both local and overseas purchasers without payment of any premium to the government;
- the legally interested party in the Forestlands has adopted reasonable and necessary security measures and has considered several contingency plans against any disruption (such as compensation and soil erosion) to the Forestlands and the proper usage of the Forestlands; and
- there is no material difference between the information contained in the Forest Rights Certificates and the actual figures.

Should any of the above not be the case, it will have adverse impact to our valuation.

Approach to Value

There are three generally accepted approaches in arriving at the market value of a property, namely the Sales Comparison Approach (or known as the Market Approach), the Cost Approach and the Income Approach.

In valuing the Forestlands, we have adopted the Sales Comparison Approach on the assumption that the Forestlands is to be disposed in its existing state as at the Valuation Date. This approach considers the sales, listing or offerings of similar or substitute property i.e. parcels of forest land with fruit trees and other cultivation growing on it and related market data to establish a value of a property that a reasonable investor would have to pay for a similar property of comparable utility and with an absolute title.

By using this approach, the land is assumed to have the benefit of approved usage with the existing improvement i.e. fruit trees and other cultivation, and it is always necessary when valuing the land, to have regard to the manner in which the land is developed by the existing improvement and site works (if any), and the extent to which these realise the full potential value of the land.

The approach is built on the basic assumption that the prices for each comparable land are factored in the condition of the features of the land such as their location, transportation, quality of the land (i.e. with fruit trees and other cultivation growing on it or not) and size.

Unless otherwise stated, we have not carried out a valuation on a redevelopment basis and the study of possible alternative development options and the related economics do not come within the scope of our work.

Matters that might affect the values reported

For the sake of valuation, we have adopted the areas as appeared in the copies of the documents as provided and no further verification work has been conducted. Should it be established subsequently that the adopted areas were not the latest approved, we reserve the rights to revise our report and valuation accordingly.

We noted from the Letter from the Board in the Company's circular dated 12 March 2013 that the Company has an intention to build a holiday resort with 600 blocks of villa on the Forestlands. Given the fact that no further approvals, consents or solid plans have been provided to us, we did not factor such intention in our valuation.

Unless otherwise stated, no allowance has been made in our valuation for any charges, mortgages, outstanding premium or amounts owing on the Forestlands valued. In assessing the market value less cost to sell, we have taken into account the estimated cost to sell as advised by the Instructing Party. As advised by the Instructing Party, the cost to sell of the Forestlands is estimated to be approximately 2.5% of the market value of the Forestlands. Unless otherwise stated, it is assumed that the Forestlands is free from all encumbrances, restrictions, and outgoings of an onerous nature which could affect its value.

In our valuation, we have assumed that the Forestlands is able to be sold and purchased in the market without any legal impediment (especially from the regulators). Should this not be the case, it will affect the reported value significantly. The readers are reminded to have their own legal due diligence work on such issues. No responsibility or liability is assumed.

As at the date of this report, we were unable to identify any adverse news against the Forestlands which may affect the reported value in our work product. Thus, we are not in the position to report and comment on its impact (if any) to the Forestlands. However, should it be established subsequently that such news did exist at the Valuation Date, we reserve the right to adjust the value reported herein.

For the purpose of compliance with Rule 11.3 of the Codes of Takeovers and Mergers, as advised by the Instructing Party, it is anticipated that there is no potential tax liabilities which may arise from the sale of the Forestlands as the transaction involve transfer of shares of the holding company instead of assets.

Establishments of titles

Based on the purpose of this engagement, the Instructing Party and the appointed personnel of the Company provided us the necessary copies of documents to support the legally interested party in the Forestlands (in this instance, Shengyuan) has free and uninterrupted rights to transfer, to mortgage or to let its relevant property interests for the whole of the unexpired terms as granted free of all encumbrances and any premiums payable have already been paid in full or outstanding procedures have been completed, and that Shengyuan has the right to occupy and to use the Forestlands. However, our procedures to value, as agreed with the Instructing Party, did not require us to conduct legal due diligence on the legality and formality on the way that the legally interested party obtained the Forestlands from the relevant authorities. We agreed with the Instructing Party that this should be the responsibility of the legal advisor to the management of the Company. Thus, no responsibility or liability is assumed from our part to the origin and continuity of the titles to the Forestlands.

The land registration system of China forbids us to search the original documents of the Forestlands that are filed in the relevant authorities, and to verify legal titles or to verify any material encumbrances or amendment which may not appear on the copies handed to us. We need to state that we are not legal professionals and are not qualified to ascertain the titles and to report any encumbrances that may be registered against the Forestlands. However, we have relied solely on the copies of documents and the copy of the PRC legal opinion provided by the appointed personnel with regard to the legal titles of the Forestlands. We are given to understand that the PRC legal opinion was prepared by a qualified PRC legal adviser – King and Wood Mallesons dated 17 October 2012. We are advised that the legal opinion is still valid. No responsibility or liability from our part is assumed in relation to those legal opinions.

In our report, we have assumed that Shengyuan has obtained all the approval and/or endorsement from the relevant authorities for the Forestlands, and there would have no legal impediment (especially from the regulators) for Shengyuan to continue its titles and disposal rights in the Forestlands. Should this not be the case, it will affect the reported value in this report significantly. The readers are reminded to have their own legal due diligence work on such issues. No responsibility or liability is assumed.

Inspection and investigations of the Forestlands

In 2014 and March 2015, we have, where possible, conducted limited scope sampling visual inspections of the Forestlands in respect of which we have been provided with such information as we have requested for the purpose of our valuation. During the visit, the inspection team was accompanied by the appointed personnel of the Company and their local staffs. Due to physical barrier, we were unable to conduct detail due diligence on the occupation status of the said asset, and thus relied solely on the information provided by the management of the Company and its appointed personnel on site. No verification from our part is assumed.

Our valuation has been made on the assumption that no unauthorised construction, extension, illegal usage or addition has been made in the Forestlands, and that the use of our report does not purport to be a condition survey of the Forestlands, and the trees and plantation on top of the Forestlands. If the Instructing Party is proposing to purchase the Forestlands and wants to satisfy themselves as to their condition, then the Instructing Party should obtain a third party detailed surveyor's inspection report on their own before deciding whether or not to enter into an agreement for sale and purchase.

The purpose of our inspection was not to create an error free assets schedule or to conduct inventory taking or to have a full scope investigation of the Forestlands. The inspection solely designed to let the valuer to have a better understanding on the general environs of the Forestlands. No responsibility or liability is assumed. The Instructing Party or interested party in the Forestlands should conduct their own inventory or stock due diligence work.

We have not carried out on-site measurements to verify the correctness of the areas of the Forestlands, but have assumed that the areas shown on the documents and the official layout plans handed to us are correct. All dimensions, measurements and areas are approximations.

Verification work on site was performed on when and where appropriate bases, and without violating the laws and regulations in China. According to the laws and regulations in China, foreigners including citizens from Hong Kong are not allowed to use any form of GPS (Global Positioning System)-related equipment and large scale maps in China. The Instructing Party or interested party in the Forestlands should conduct their own due diligence work to verify the location and areas.

Our engagement and the agreed procedures to value the Forestlands did not include an independent land survey to verify the legal boundaries of the Forestlands. We need to state that we are not in the land survey profession, therefore, we are not in the position to verify or ascertain the correctness of the legal boundaries of the Forestlands that appeared on the documents handed to us. No responsibility from our part is assumed. The Instructing Party or interested party in the Forestlands should conduct their own legal boundaries due diligence work.

We have not arranged for any investigation to be carried out to determine whether or not any deleterious or hazardous material has been used in the construction of the Forestlands, or has since been incorporated, and we are therefore unable to report that the Forestlands is free from risk in this respect, and therefore we have not considered such factor in our valuation.

We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the Forestlands and which may draw attention to any contamination or the possibility of any such contamination. In undertaking our work, we have assumed that no contaminative or potentially contaminative uses have ever been carried out in the Forestlands. We have not carried out any investigation into past or present uses, either of the Forestlands or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the Forestlands from these uses or sites, and have therefore assumed that none exists. However, should it be established subsequently that contamination, seepage or pollution exists at the Forestlands or any neighbouring land, or that the Forestlands has been or is being put to a contaminative use, this might reduce the value reported or affect our findings.

Sources of information and its verification

In the course of our work, we have been provided with copies of the documents regarding the Forestlands, and these copies have been referenced without further verifying with the relevant bodies and/or authorities. Our procedures to value did not require us to conduct any searches or inspect the original documents to verify the ownership or to verify any amendment which may not appear on the copies handed to us. We need to state that we are not legal professional, therefore, we are not in the position to advise and comment on the legality and effectiveness of the documents provided by the Instructing Party.

We have relied solely on the information provided by the Instructing Party and the appointed personnel of the Company without further verification and have fully accepted advice given to us on such matters as planning approvals or statutory notices, locations, titles, easements, tenure, occupation, site area and all other relevant matters.

The completion of this valuation depends on the expertise of a forestry professional in identifying the existing land use (including the tree species and their estimated quantities planted thereon) that was used to give us an understanding on the present land use of the Forestlands and its locality. Since we are not forestry professionals and that we are not authorised person to conduct forest land survey or are restricted from possessing detailed maps and GPS readings in China, we have, at the instructions of the Instructing Party and, relied on a copy of an investigation report prepared by 河北省林業調查規劃設計院 (translated as Forest Survey and Planning Institute of Hebei Province) who are licensed forestry professional and consultant in China commissioned specifically by the Company for the purpose of this valuation. We are given to understand that the forestry consultant is an independent third party to the Company.

The scope of our valuation has been determined by reference to the property list provided by the Instructing Party. The Instructing Party has confirmed to us that Shengyuan has no property interests other than those specified on the list supplied to us and included in this report.

Our valuation has been made based only on the advice and information made available to us. While a limited scope of general inquiries of prices for each comparable forestland had been made to the relevant parties of the land, such as farmers and government officials, we are not in a position to verify and ascertain the correctness of the advice given by the relevant personnel. No responsibility or liability is assumed.

Information furnished by others, upon which all or portions of our work product are based, is believed to be reliable but has not been verified in all cases. Our procedures to value or work do not constitute an audit, review, or compilation of the information provided. Thus, no warranty is made nor liability assumed for the accuracy of any data, advice, opinions, or estimates identified as being furnished by others which have been used in formulating our work product.

When we adopted the work products from other professions, external data providers, the Instructing Party and the appointed personnel of the Company or Shengyuan in our works, the assumptions and caveats adopted by them in arriving at their figures also applied to this report. The procedures we have taken do not provide all the evidence that would be required in an audit and, as we have not performed an audit, accordingly, we do not express an audit opinion.

We are unable to accept any responsibility for the information that has not been supplied to us by the Instructing Party and the appointed personnel of the Company or Shengyuan. Also, we have sought and received confirmation from the Instructing Party and the appointed personnel of the Company or Shengyuan that no material factors have been omitted from the information supplied. Our analysis and valuation are based upon full disclosure between us and the Instructing Party, the Company and Shengyuan of material and latent facts that may affect our works.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Instructing Party, the appointed personnel of the Company or Shengyuan. We consider that we have been provided with sufficient information to reach an informed view, and have had no reason to suspect that any material information has been withheld.

Unless otherwise stated, all monetary amounts stated are in Hong Kong dollars. In our valuation, the adopted exchange rates were the prevailing rate as at the Valuation Date being Renminbi Yuan (RMB) 1 to HK\$1.25 and no significant fluctuation in exchange rate has been found between the date of this report.

Limiting conditions in this summary report

Our findings and conclusion of value of the Forestlands in this report are valid only for the stated purpose and only for the Valuation Date, and for the sole use of the Instructing Party and the Company. We or our personnel shall not be required to give testimony or attendance in court or to any government agency by reason of this report, and we accept no responsibility whatsoever to any other person.

No responsibility is taken for changes in market conditions and local government policy, and no obligation is assumed to revise this report to reflect events or conditions which occur or make known to us subsequent to the date hereof.

Neither the whole nor any part of this report or any reference made hereto may be included in any published documents, prospectus or statement, or published in any way, without our written approval of the form and context in which it may appear. Nonetheless, we consent to the publication of this summary report in this circular for the Company's shareholders' reference.

No action or proceedings for any breach of this engagement shall be commenced against us after the expiry of three years from completion of our services.

Our liability for loss or damage shall be limited to such sum as we ought reasonably to pay having regard to our responsibility for the same on the basis that all other consultants and specialists, shall where appointed, be deemed to have provided to the Instructing Party contractual undertakings in respect of their services and shall be deemed to have paid to the Instructing Party such contribution as may be appropriate having regard to the extent of their responsibility for such loss or damage.

Our liability for any loss or damage arising out of the action or proceedings aforesaid shall, notwithstanding the preceding provisions, in any event be limited to a sum not exceeding the charges paid to us for the portion of services or work products giving rise to liability. In no event shall we be liable for consequential, special, incidental or punitive loss, damage or expense (including without limitation, loss of profits, opportunity cost etc.), even if it has been advised of their possible existence. For the avoidance of doubt our liability shall never exceed the lower of the sum calculated in accordance with the preceding provisions and the sum provided for in this clause.

The Instructing Party and/or the Company are required to indemnify and hold us and our personnel harmless from any claims, liabilities, costs and expenses (including, without limitation, attorney's fees and the time of our personnel involved) brought against, paid or incurred by us at a time and in any way based on the information made available in connection with our engagement except to the extent that any such losses, expenses, damages or liabilities are ultimately determined to be the result of gross negligence, misconduct, willful default or fraud of our engagement team in conducting its work. This provision shall survive even after the termination of this engagement for any reason.

STATEMENTS

The attached valuation certificate is prepared in line with the guidelines contained in both IVS and the HKIS Standards. The valuation has been undertaken by valuer, acting as external valuer, qualified for the purpose of this valuation.

We retain a copy of this report together with the data provided by the Instructing Party for this assignment, and these data and documents will, according to the Laws of Hong Kong, be kept for a period of 6 years from the date of this report and to be destroyed thereafter. We consider these records confidential, and we do not permit access to them by anyone, with the exception for law enforcement authorities or court order, without the Instructing Party's authorisation and prior arrangement made with us. Moreover, we will add the Company's information into our client list for our future reference.

The analysis or valuation of the Forestlands depends solely on the assumptions made in our report and not all of which can be easily quantified or ascertained exactly. Should some or all of the assumptions proven to be inaccurate at a later date, it might affect the reported value significantly.

We hereby certify that the fee for this service is not contingent upon our conclusion of value and we have no significant interest in the Forestlands, the Group, Shengyuan or the value reported.

The valuation certificate is attached.

Yours faithfully,
For and on behalf of
LCH (Asia-Pacific) Surveyors Limited

Elsa Ng Hung Mui *BSc MSc RPS(GP)*
Director

Ms. Elsa Ng Hung Mui has been conducting valuation of real properties in Hong Kong since 1994 and has more than 15 years of experience in valuing real properties in mainland China (in particular, has more than 7 years in valuing forest land). She is a Member of The HKIS and a valuer on the List of Property Valuers for Undertaking Valuation for Incorporation or Reference in Listing Particulars.

VALUATION CERTIFICATE

Property Held by the Group for Future Development

Property	Description and tenure	Particulars of occupancy	Amount of valuation** in its existing state attributable to Shengyuan as at 30 April 2015
Various parcels of forest land in various locations (the "Forestlands"), Sanxingkou Township, Qinglong Manchu Autonomous County, Qinhuangdao City, Hebei Province, the People's Republic of China	<p>The Forestlands comprises a total of 19 plantation tracts with 1,947 subsections of forest land and covered by 23 various Forest Rights Certificates. The Forestlands has a total land area of approximately 63,035.29 Chinese Mu* (i.e. approximately 42 sq. km.) and scattered in 10 villages.</p> <p>The Forestlands is generally a hilly sloping land planted with various fruit trees and other cultivations. Of the total 63,035.29 Chinese Mu, about 39,524.21 Chinese Mu are classified as land with forest, about 16,644.44 Chinese Mu are suitable land for forest, about 1,327.89 Chinese Mu are classified as afforested land, and about 5,538.75 Chinese Mu are classified as wood and shrub land.</p> <p>The areas planted with various fruit trees are broken down to about 33,653.66 Chinese Mu planted with apricot trees, about 5,341.15 Chinese Mu planted with hawthorn trees, about 990.65 Chinese Mu planted with chestnut trees, and about 586.08 Chinese Mu planted with pear trees. There are other tree species growing on the remaining area of the Forestlands.</p> <p>The Forestlands is subject to a master Forest Rights Certificate and 23 various Forest Rights Certificates for a land use term of 46 years till 10 February 2057. The usage of the Forestlands is restricted to cultivation and agriculture-related operation.</p> <p>We are advised by the appointed personnel of the Company that, at present, no development plan or planning consent has been approved or has been obtained by Shengyuan in relation to the Forestlands, and the land use remains unchanged.</p>	<p>The Forestlands is generally a hilly sloping land with more than half land area planted with various fruit trees.</p> <p>Based on our observations during our inspection and subsequent discussions with the appointed personnel of the Company, we were given to understand that there is presently no centralised management of the planting on the Forestlands.</p>	<p>HK\$ 714,500,000</p> <p>(HONG KONG DOLLARS SEVEN HUNDRED FOURTEEN MILLION AND FIVE HUNDRED THOUSAND)</p> <p>(100 per cent. interest)</p>

* Chinese Mu 1 equals to 666.67 sq. m.

** Amount of valuation represents market value less cost to sell

Notes:

1. 青龍滿族自治縣 Qinglong Manchu Autonomous County is a Manchu autonomous county of northeastern Hebei Province, bordering Liaoning to the north and east and located in the eastern part of the Yan Mountains. Counties bordering Qinglong Manchu Autonomous County are Lingyuan and Jianchang (Liaoning) to the north, Suizhong (Liaoning) to the east, Qianan and Lulong to the south and Kuancheng Manchu Autonomous County and Qianxi to the west. It is situated within the Beijing- Tianjin- Tang-Qin Economic Circle and Bohai Economic Circle. It is 250 kilometers away from Beijing, 265 kilometers away from Tianjin, 480 kilometers away from Shijiazhuang, 118 km from Qinhuangdao city, 145 kilometers away from the urban area of Tangshan, and 160 kilometers away from Chengde City. It is under the administration of Qinhuangdao City and has a population of 541,000 residing in an area of 3,510 sq. km.

Presently, the county is divided into 11 towns, 14 townships, 396 villages and 4 residents' committees. The county has a northern temperate humid continental monsoon climate, with four distinct seasons, abundant sunshine, the average temperature of 8.9°C, average annual rainfall of 715 mm, and the annual frost-free period of 162 days. The county people's government considered that the county has rich mineral resources, fruits resources and mountain and forest resources.

2. 三星口鄉 Sanxingkou Township is about 62 kilometers (kms) east of the centre of Qinglong Manchu Autonomous County and about 80 kms north of Qinhuangdao City. Its coordinates are 119° 23' 42"~ 119° 34' 12" longitude and 40° 22' 20" ~ 40° 27' 58" latitude, and the altitude is between 290-780 meters above sea level. Neighboring towns and cities are Longwangmiao Township to the south, Gangou Township to the north, Mutoudeng Town to the west and Suizhong County to the east. The township people's government is in Sanxingkou village and governed about 11 villages with more than 13,000 people.

The township has a temperate monsoon climate, spring drought, rainfall is mostly concentrated in the summer; autumn weather is sunny, cool day and warm night; winter cold, dry and less snow. The average annual temperature is 8.9°C, the extreme maximum temperature of 38.7°C, extreme minimum temperature of -29.2°C; annual average rainfall of 715.6mm; frost-free period is 152-170 days; and annual dominant wind direction is southwest.

3. On 31 January 2011, Shengyuan as the contractor entered into ten various 宜林(果)山地經營權流轉合同 Contracts on Circulation of Contract Management Right of Suitable Mountain for Afforestation (Fruit) with various owners i.e. Villagers' Committees who represented their respective villagers. A summary of the ten various Contracts are as follows:

	發包方 Owner	承包方 Contractor	流轉地點 Location	流轉面積 Circulated Area (Chinese Mu)	流轉費 Circulation Fee # (RMB)
1.	三星口村村民委員會 Sanxingkou Village Villagers' Committees	Shengyuan	三星口村 Sanxingkou Village	7,415.49	5,116,688
2.	出頭石村村民委員會 Chutoushi Village Villagers' Committees	Shengyuan	出頭石村 Chutoushi Village	6,003.9	4,142,691
3.	龍頭村村民委員會 Longtou Village Villagers' Committees	Shengyuan	龍頭村 Longtou Village	12,610	8,700,900
4.	三道溝村村民委員會 Sandaogou Village Villagers' Committees	Shengyuan	三道溝村 Sandaogou Village	6,496.5	4,482,585
5.	谷杖子村村民委員會 Guzhangzi Village Villagers' Committees	Shengyuan	谷杖子村 Guzhangzi Village	5,636.2	3,888,978
6.	穆杖子村村民委員會 Muzhangzi Village Villagers' Committees	Shengyuan	穆杖子村 Muzhangzi Village	4,908	3,386,520

	發包方 Owner	承包方 Contractor	流轉地點 Location	流轉面積 Circulated Area (Chinese Mu)	流轉費 Circulation Fee # (RMB)
7.	東轉城號村村民委員會 Dongzhuanchenghao Village Villagers' Committees	Shengyuan	東轉城號村 Dongzhuanchenghao Village	2,869.1	1,979,679
8.	西轉城號村村民委員會 Xizhuanchenghao Village Villagers' Committees	Shengyuan	西轉城號村 Xizhuanchenghao Village	1,839	1,268,910
9.	李臺子村村民委員會 Litaizi Village Villagers' Committees	Shengyuan	李臺子村 Litaizi Village	9,052.6	6,246,294
10.	陶杖子村村民委員會 Taozhangzi Village Villagers' Committees	Shengyuan	陶杖子村 Taozhangzi Village	6,204.5	4,281,105
			Total	63,035.29	43,494,350

A kind of ground rent calculated by a simple formula: a flat rate of RMB15 per Chinese Mu per annum x total circulated area x 46 years

Major terms and conditions of the each contract are:

- (i) The term of the contract is 46 years from 10 February 2011 to 10 February 2057.
- (ii) The circulation fee is calculated on RMB 15 per Chinese Mu per annum basis and should be paid as a lump sum to the villagers.
- (iii) The contractor has the right to terminate the contract should there exist a significant external environment which would cause negative impact to an investment. Under such circumstances, the owner will return to the contractor the residual of the circulation fee (on year basis).
- (iv) The lump sum circulation fee also regarded as a compensation to all cultivations and agricultural assets that planted on the circulated areas.
- (v) The contractor has the pre-emptive right to renew the contract upon the expiration of the existing term, but subject to the then market circulation fee.
- (vi) The contractor once settled all the circulation fee should have the right to transfer, to let, to sub-contract and other kinds of circulation on the contract management right.
- (vii) The contractor has the right to receive all the economic income to be generated from the subject circulated area, and the owner has no right to raise any suggestion.
- (viii) During the term of contract, the contractor only allowed to conduct cultivation and agricultural-related operation on the subject circulated area.
- (ix) The contractor has the right to use the existing road within the circulated area.
- (x) The local villagers should have the priority right to be employed by the contractor.

From the copies of the contract, we noted that each of the owners promised to the contractor that the contractor would have the right to enjoy benefits from the relevant national and local privilege supporting policy to the agricultural or forestry projects, and that the owners shall have obligations to try their best to assist the contractor.

4. As advised by the Company, the Group's intended ecotourism business is regulated by 林資發【2003】139號(國家林業局關於印發《佔用征用林地審核審批管理規範》的通知) promulgated by the State Forestry Administration of the PRC (the "Notice") under agricultural and forestry industries. According to the Notice, three percent of forest land can be used for self-built house or office. So long as the approval from the local government is granted upon application by the Group, the interests and rights to the use of the lands would be secured by the Notice and the relevant laws in the PRC which will not involve any breach of the existing user restrictions.
5. As advised by the Company's legal advisor, on 8 February 2011 the villagers of each Sanxingkou Village, Chutoushi Village, Longtou Village, Sandaogou Village, Guzhangzi Village, Muzhangzi Village, Dongzhuanchenghao Village, Xizhuanchenghao Village, Litaizi Village and Taozhangzi Village in Sanxingkou Township of Qinglong Manchu Autonomous County entered various 宜林(果)山地經營權流轉委託協議書 Trust Agreement on Circulation of Suitable Mountain for Afforestation (Fruit) Management Right with their respective Villagers' Committees or 農村經濟聯合社 Rural Economic United Co-operative Organisations. According to the agreements, the villagers agreed their respective Villagers' Committees or Rural Economic United Co-operative Organisations on their behalf to deal with Shengyuan on those issues related to Contracts on Circulation of Contract Management Right of Suitable Mountain for Afforestation (Fruit), and the circulation of mountain management right is set for a term of 46 years from 10 February 2011 to 10 February 2057.
6. Pursuant to a master 林權證 Forest Rights Certificate by 青龍滿族自治縣林業局 Qinglong Manchu Autonomous County Forest Bureau dated 10 February 2011, and 23 various Forest Rights Certificates issued by 青龍滿族自治縣林業局 Qinglong Manchu Autonomous County Forest Bureau and all dated 14 April 2011, the legally interest party in the forest land use rights and the forest trees ownership together with their usage rights of the Forestlands in Sanxingkou Township, Qinglong Manchu Autonomous County, Qinhuangdao City, Hebei Province of the PRC is Shengyuan. Shengyuan is entitled to have the operating rights and forestry management rights of various parcels of forest land covering a total area of about 63,035.29 Chinese Mu till 10 February 2057. A summary of the 24 various Forest Rights Certificates are as follows:

Forest Rights Certificate No.		Area (Chinese Mu)
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青林證字(2011)第000012號 Qinglinzhengzi (2011) Di 000012 Hao	Master	63,035.29
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Forest Rights Certificate Subject to the Master Certificate*		
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		Area (Chinese Mu)
1	青林證字(2011)第000021號 Qinglinzhengzi (2011) Di 000021 Hao	1,586.30
2	青林證字(2011)第000024號 Qinglinzhengzi (2011) Di 000024 Hao	1,908.70
3	青林證字(2011)第000026號 Qinglinzhengzi (2011) Di 000026 Hao	4,567.50
4	青林證字(2011)第000028號 Qinglinzhengzi (2011) Di 000028 Hao	3,481.04
5	青林證字(2011)第000027號 Qinglinzhengzi (2011) Di 000027 Hao	340.50
6	青林證字(2011)第000035號 Qinglinzhengzi (2011) Di 000035 Hao	24.00
7	青林證字(2011)第000019號 Qinglinzhengzi (2011) Di 000019 Hao	732.00
8	青林證字(2011)第000022號 Qinglinzhengzi (2011) Di 000022 Hao	1,282.80

Forest Rights Certificate Subject to the Master Certificate*		Location	Area (Chinese Mu)
9	青林證字(2011)第000020號 Qinglinzhengzi (2011) Di 000020 Hao	三星口鄉西轉城號村 Xizhuanchenghao Village	21.00
10	青林證字(2011)第000016號 Qinglinzhengzi (2011) Di 000016 Hao	三星口鄉李臺子村 Litaizi Village	4,605.30
11	青林證字(2011)第000015號 Qinglinzhengzi (2011) Di 000015 Hao	三星口鄉陶杖子村 Taozhangzi Village	1,891.00
12	青林證字(2011)第000014號 Qinglinzhengzi (2011) Di 000014 Hao	三星口鄉陶杖子村 Taozhangzi Village	4,313.50
13	青林證字(2011)第000038號 Qinglinzhengzi (2011) Di 000038 Hao	三星口鄉三星口村 Sanxingkou Village	1,134.35
14	青林證字(2011)第000039號 Qinglinzhengzi (2011) Di 000039 Hao	三星口鄉出頭石村 Chutoushi Village	2,653.40
15	青林證字(2011)第000034號 Qinglinzhengzi (2011) Di 000034 Hao	三星口鄉龍頭村 Longtou Village	6,892.00
16	青林證字(2011)第000025號 Qinglinzhengzi (2011) Di 000025 Hao	三星口鄉谷杖子村 Guzhangzi Village	18.00
17	青林證字(2011)第000023號 Qinglinzhengzi (2011) Di 000023 Hao	三星口鄉谷杖子村 Guzhangzi Village	3,709.50
18	青林證字(2011)第000033號 Qinglinzhengzi (2011) Di 000033 Hao	三星口鄉龍頭村 Longtou Village	5,694.00
19	青林證字(2011)第000031號 Qinglinzhengzi (2011) Di 000031 Hao	三星口鄉出頭石村 Chutoushi Village	3,350.50
20	青林證字(2011)第000029號 Qinglinzhengzi (2011) Di 000029 Hao	三星口鄉三星口村 Sanxingkou Village	2,800.10
21	青林證字(2011)第000013號 Qinglinzhengzi (2011) Di 000013 Hao	三星口鄉三道溝村 Sandaogou Village	6,496.50
22	青林證字(2011)第000018號 Qinglinzhengzi (2011) Di 000018 Hao	三星口鄉西轉城號村 Xizhuaichenghao Village	1,086.00
23	青林證字(2011)第000017號 Qinglinzhengzi (2011) Di 000017 Hao	三星口鄉李臺子村 Litaizi Village	4,447.30
* Certificate sequence followed the provided legal opinion		Total:	<u><u>63,035.29</u></u>

7. The master Forest Rights Certificate 青林證字(2011)第000012號 Qinglinzhengzi (2011) Di 000012 Hao stated that the land area of 63,035.29 Chinese Mu is a projected area from the plan, and the actual land area should be in a ratio of 1:5 and became 315,176 Chinese Mu (i.e. approximately 210 sq. km.).

8. Pursuant to 23 various Certification Letters issued by 青龍滿族自治縣林業局 Qinglong Manchu Autonomous County Forest Bureau and all dated 14 April 2011, it certified that the land area stated in each of the above 23 Forest Rights Certificates is a projected area from the plan, and the actual land area should be in a ratio of 1:5.

9. According to the legal opinion as prepared by the Company's PRC legal adviser, the following opinions are noted:–
- (i) Save except some non-compliance of the existing rules and regulations in updating the registration Shengyuan, Shengyuan has obtained all the necessary permits, certificates and approvals to perform its business under the laws in the PRC, and that, such permits, certificates and approvals still valid and effective.
 - (ii) Shengyuan possessed the forest land use rights and the ownership of the forests comprising the Forestlands legally by way of circulation of contract management rights, and that the forest land came from山地流轉hilly field circulation. Shengyuan has the right to occupy, use, let, transfer or other ways to dispose the forest land use rights and forest ownership during the granted term.
 - (iii) The Forestlands is not subject to other encumbrances that registered against the Forestlands.
10. We are advised that on 6 December 2012, through introduction by the Company, Shengyuan entered into the Letter of Intent with Beijing Wangbaochuan, a Beijing-based medium size developer which is experienced in similar forest land projects, to jointly develop a holiday resort project in the Forestlands. Pursuant to the Letter of Intent, the holiday resort project will consist of approximately 600 blocks of villa. Beijing Wangbaochuan will fund all of the construction and development costs while Shengyuan will provide the Forestlands. It is intended that Shengyuan and Beijing Wangbaochuan will share the gross floor area of the completed holiday resort in the percentage of 30% and 70% upon completion.

Save for the Letter of Intent mentioned above, we are advised by the Instructing Party that there has not been any plan for construction, renovation, improvement or development of the Forestlands, and no estimated associated costs could be provided.

1. 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.

2. DISCLOSURE OF DIRECTORS' INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) or which were required, pursuant to section 352 of the SFO; or (c) to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) to be notified to the Company and the Stock Exchange were as follows:

Name of Director	Number of Shares (long position)	Nature of interest and capacity	Percentage of total issued share capital as of the Company at Latest Practicable Date
Yan Wai Lung	169,400,000	Beneficial owner	1.00%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they would be taken or deemed to have under such provisions of the SFO); (b) or which were required, pursuant to section 352 of the SFO; or (c) to be entered in the register referred to therein, or which were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

Long position:

Name of shareholder	Capacity in which such interest were held	Number of shares or underlying shares	Approximate percentage of existing issued share capital of the Company
Hao Tian Development Group Limited	Ultimately beneficially owned	4,891,500,000 (Note 1)	28.87%
Hao Tian Management (Hong Kong) Limited	Through controlled corporations	4,891,500,000 (Note 1)	28.87%
Win Team Investments Limited	Directly beneficially owned	4,891,500,000 (Note 1)	28.87%
Huang Rulun	Ultimately beneficially owned	2,320,000,000 (Note 2)	13.69%
Century Golden Resources Investment Co Ltd	Through controlled corporations	2,320,000,000 (Note 2)	13.69%
CST Mining Group Limited	Ultimately beneficially owned	415,582,500 (Note 3)	9.81%
Skytop Technology Limited	Through controlled corporations	415,582,500 (Note 3)	9.81%
Freeman Financial Corporation Limited	Through controlled corporations	1,091,802,352 (Note 4)	6.44%

Notes:

Note 1: Based on the filings under the SFO, Win Team Investments Limited is wholly-owned by Hao Tian Management (Hong Kong) Limited, which is wholly-owned by Hao Tian Development Group Limited.

Note 2: Based on the filings under the SFO, Century Golden Resources Investment Co Ltd is owned by Huang Rulin as to 60%.

Note 3: Based on the filings under the SFO, Skytop Technology Limited is wholly-owned by Perfect Touch Technology Inc., which is wholly-owned by CST Mining Group Limited.

Note 4: Based on the filings under the SFO, Freeman Financial Corporation Limited owns 1,091,802,352 Shares representing 6.44% of the total issued share capital of the Company through its controlled corporations.

Save as disclosed above, as at the Latest Practicable Date, no person (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital.

4. COMPETING INTERESTS

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

5. OTHER INTERESTS OF THE DIRECTORS

As at the Latest Practicable Date:

- (a) none of the Directors had any interest, either direct or indirect, in any assets which have, since 31 March 2014 (being the date to which the latest published audited consolidated accounts of the Group were made up), been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which is subsisting as at the date of this Circular and is significant in relation to the business of the Group.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

7. LITIGATION

As at the Latest Practicable Date, there is no litigation or claims of material importance pending or threatened against any member of the Group.

8. EXPERT AND CONSENT

The following sets out the qualification of the professional adviser who has given opinion or advice contained in this circular:

Name	Qualification
LCH	Professional surveyor

LCH has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter/report and/or references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, LCH did not have (a) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (b) any direct or indirect interest in any assets acquired or disposed of by or leased to or proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2014, the date to which the latest published audited financial statements of the Group were made up.

9. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years preceding the date of this circular and are or may be material:

- (a) the Disposal Agreement;
- (b) the agreement dated 8 April 2015 made among China Hover Dragon and Mr. Gao (as vendors), Shinning Seas Limited (as purchaser), Mr. Ji Kewei and Ms. Wang Zi Yi (as guarantors) and the Company in relation to the proposed acquisition of the 310,000,000 shares in Hong Kong Leasing Limited by Shinning Seas Limited at a base consideration of HK\$1,558,334,000;
- (c) the Sale and Purchase Agreement dated 5 November 2014 pursuant to which Power Global Limited (as vendor) has agreed to sell and High Rhine Limited (as purchaser) has agreed to purchase the share capital of Apex Corporate Investments Limited (“Apex”) together with assignment of the outstanding shareholder loan advanced by the Company to the Apex and HON Chinese (the wholly-owned subsidiary of Apex) for a consideration of HK\$500,000;

- (d) the termination deed dated 26 August 2014 entered into between Power Global Limited, a wholly-owned subsidiary of the Company and an independent third party, pursuant to which Power Global Limited and the independent third party agreed to terminate an option agreement dated 11 July 2011 to purchase the entire interest in Apex;
- (e) the Sale and Purchase Agreement dated 11 August 2014 pursuant to which Coupeville Limited (a company incorporated in the British Virgin Islands with limited liability and a then wholly owned subsidiary of the Company, as vendor) has agreed to sell and Sun Metro Global Limited (as purchaser) has agreed to purchase the entire issued share capital of Golden Victory Holdings Limited (金凱控股有限公司) together with the outstanding unsecured and non-interest bearing shareholder loan (which was advanced by the Coupeville Limited to Golden Victory Holdings Limited which is repayable on demand) for a cash consideration of HK\$41,000,000;
- (f) the subscription agreement dated 12 June 2014 entered into between Mass Nation Investments Limited, a wholly-owned subsidiary of the Company, and HEC Capital Limited, an independent third party of the Company, pursuant to which HEC Capital Limited agreed to issue and Mass Nation Investments Limited agreed to subscribe 38,000,000 shares of HEC Capital Limited at a consideration of HK\$228 million (subject to adjustment); and
- (g) the Subscription Agreement dated 10 December 2013 entered into between Alpha Ease International Limited (an indirect wholly owned subsidiary of the Company, as subscriber) and Great Desire International Limited (as issuer) in respect of the subscription of the convertible bond in principal amount of HK\$30 million due 2016 bearing an interest of 5% per annum to be issued by Great Desire International Limited.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal place of business of the Company in Hong Kong during normal business hours from the date of this circular up to and including the date of the SGM:

- (a) the memorandum of association and the bye-laws of the Company;
- (b) the valuation report on the Forestlands, the text of which is set out in Appendix II to this circular;
- (c) the material contracts referred to in the section headed “Material Contracts” of this Appendix;
- (d) the written consents given by LCH referred to in the section headed “Expert and Consent” of this Appendix;
- (e) the annual reports of the Company for the two years ended 31 March 2013 and 31 March 2014;

- (f) the interim report of the Company for the six months ended 30 September 2014; and
- (g) this circular.

11. MISCELLANEOUS

- (a) The secretary of the Company is Mr. Lau Yan Chuen Louis (“**Mr. Lau**”), who is a member of the Association of Chartered Certified Accountants. Mr. Lau is also the financial controller and the authorised representative of the Company.
- (b) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The head office and principal place of business of the Company is located at 29/F., China United Centre, 28 Marble Road, North Point, Hong Kong.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited of 17M Floor, Hopewell Centre, 183 Queen’s Road, East, Wanchai, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.

NOTICE OF SGM



HERITAGE INTERNATIONAL HOLDINGS LIMITED

漢基控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 412)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Heritage International Holdings Limited (the “**Company**”) will be held at YUE – Function Room, V234, 1/F., City Garden Hotel, 9 City Garden Road, North Point, Hong Kong at 9:00 a.m. on Monday, 13 July 2015 (the “**SGM**”) for the purpose of considering and, if thought fit, passing with or without amendment the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT:**

- (i) the sale and purchase agreement (the “**Disposal Agreement**”) (a copy of which has been produced to this meeting marked “A” and initialled by the chairman of the meeting for identification) dated 21 May 2015 entered into by the Company and Trillion Cheer Toprich Limited in relation to the disposal by the Company of the entire issued share capital of Gold Mountain Limited and the entire shareholder loan and other indebtedness owed by Gold Mountain Limited or (where applicable) its subsidiaries to the Company or its associates as at completion of the disposal to Trillion Cheer Toprich Limited at a consideration of HK\$720,000,000 and the transactions contemplated thereunder be and are hereby confirmed, ratified and approved; and
- (ii) the Directors be and are hereby authorised to do all things and acts and execute all documents (including under the seal of the Company) which they may consider necessary, desirable or expedient to implement and/or give effect to any matters relating to or in connection with any or all transactions contemplated under the Disposal Agreement.”

Yours faithfully,
For and on behalf of the Board
Heritage International Holdings Limited
Yau Wai Lung
Executive Director

Hong Kong, 24 June 2015

* For identification purpose only

NOTICE OF SGM

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

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

29th Floor
China United Centre
No. 28 Marble Road
North Point, Hong Kong

Notes:

1. A form of proxy for use at the SGM is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer or attorney duly authorised.
3. Any shareholder of the Company entitled to attend and vote at the SGM convened by the above notice shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the above Meeting or any adjournment thereof (as the case may be).
5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the SGM convened or at any adjourned meeting (as the case may be) and in such event, the form of proxy will be deemed to be revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the SGM, whether in person or by proxy, the most senior shall alone be entitled to vote. For this purpose, seniority shall be determined by the order in which the names stand on the register of members of the Company in respect of the joint holding.
7. As at the date of this notice, the Company has three executive directors, being Mr. Yau Wai Lung, Dr. Jonathan Ross and Mr. Ma Chao and three independent non-executive directors, being Mr. To Shing Chuen, Mr. Chung Yuk Lun and Mr. Cheung Wing Ping.