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

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

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ENTERPRISE DEVELOPMENT HOLDINGS LIMITED
企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

(1) PROPOSED SHARE SUBSCRIPTION UNDER SPECIFIC MANDATE;
(2) PROPOSED REFRESHMENT OF
GENERAL MANDATE TO ALLOT AND ISSUE SHARES;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders in relation to the proposed refreshment of
general mandate to allot and issue shares

Nuada Limited

Corporate Finance Advisory

A letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders is set out on pages 19 to 28 of this circular and a letter of recommendation from the Independent Board Committee to the Independent Shareholders is set out on page 18 of this circular.

A notice convening the extraordinary general meeting (“EGM”) of the Company to be held at United Conference Centre, 10/F., United Centre, 95 Queensway, Hong Kong on Friday 12 December 2014 at 2:00 p.m. is set out on pages 29 to 32 of this circular.

Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy to 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 as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjourned meeting(s) if you so wish.

25 November 2014

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 16 May 2014 in which the Shareholders had approved, among other matters, the Current General Mandate
“Articles of Association”	the articles of association of the Company
“associate(s)”	have the same meaning as ascribed to it in the Listing Rules
“Board”	the board of Directors, including all independent non-executive Directors
“Business Day”	any day (excluding Saturdays, Sundays and public holidays) on which banks generally are open for business in Hong Kong
“Company”	Enterprise Development Holdings Limited (企展控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement
“Completion Date”	not later than the second Business Day following the satisfaction of all the conditions of the Subscription or such other date as the Company and the Subscriber may agree
“Current General Mandate”	the general mandate approved at the AGM to grant to the Directors to allot and issue Shares of up to 20% of the share capital of the Company in issue on the date of the passing of the relevant ordinary resolution, which was 16 May 2014
“Director(s)”	director(s) of the Company

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be held at United Conference Centre, 10/F., United Centre, 95 Queensway, Hong Kong on Friday, 12 December 2014 at 2:00 p.m. to consider and, if appropriate, to approve the ordinary resolutions contained in the notice of the meeting which are set out on pages 29 to 32 of this circular
“Freeman”	Freeman Financial Corporation Limited (stock code: 279), a company with limited liability incorporated under laws of Cayman Islands, the share capital of which is listed on the main board of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, to advise the Independent Shareholders as to the fairness and reasonableness of the grant of the New General Mandate
“Independent Financial Adviser”	Nuada Limited, a licensed corporation to carry out Type 6 regulated activities as defined under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the New General Mandate
“Independent Shareholders”	any Shareholder other than controlling Shareholders and their associates or, where there are no controlling Shareholders, any Shareholder other than Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
“Independent Third Party (Parties)”	third party (parties) independent of and not connected with the Company and its connected persons (as defined under the Listing Rules)

DEFINITIONS

“Latest Practicable Date”	21 November 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New General Mandate”	the general mandate proposed to be granted to the Directors at the EGM to allot, issue and otherwise deal with additional Shares not exceeding 20% of the share capital of the Company in issue on the date of the passing of the relevant ordinary resolution
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Specific Mandate”	the specific mandate for the allotment and issue of the Subscription Shares to be sought by the Directors at the EGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Smart Jump Corporation, which is an Independent Third Party and a company incorporated in the British Virgin Islands with limited liability and is an indirect non-wholly owned subsidiary of Freeman
“Subscription”	the subscription of the 350,000,000 Subscription Shares pursuant to the terms of the Subscription Agreement

DEFINITIONS

“Subscription Agreement”	the agreement in relation to the Subscription entered into between the Company and the Subscriber on 21 October 2014 (after trading hours)
“Subscription Price”	HK\$0.25 per Subscription Share
“Subscription Share(s)”	350,000,000 new Shares to be subscribed under the Subscription
“subsidiary (subsidiaries)”	with the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	with the meaning ascribed thereto under the Listing Rules
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED 企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

Executive Directors:

Mr. Jia Bowei (*Chairman*)
Mr. Lam Kwan Sing (*Chief Executive Officer*)
Mr. Wang Jun

Independent non-executive Directors:

Mr. Yau Yan Ming, Raymond
Ms. Hu Gin Ing
Mr. Zhang Xiaoman

Registered office:

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

Principal place of business

in Hong Kong:
Suite 904-5, 9/F
Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

25 November 2014

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED SHARE SUBSCRIPTION UNDER SPECIFIC MANDATE;
(2) PROPOSED REFRESHMENT OF
GENERAL MANDATE TO ALLOT AND ISSUE SHARES;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the information relating to (i) the proposed Subscription under Specific Mandate; (ii) the proposed grant of the New General Mandate; (iii) the recommendation from the Independent Board Committee to the Independent Shareholders on the proposed grant of the New General Mandate; (iv) the recommendation from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the proposed grant of the New General Mandate; and (v) the notice of EGM, at which the necessary ordinary resolutions will be proposed for the grant of the Specific Mandate and grant and extension of the New General Mandate.

LETTER FROM THE BOARD

SHARE SUBSCRIPTION UNDER SPECIFIC MANDATE

The Subscription Agreement

Date

21 October 2014 (after trading hours)

Parties

Issuer: The Company

The Subscriber: Smart Jump Corporation

The Subscription

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe 350,000,000 Subscription Shares at HK\$0.25 per Subscription Share, representing approximately 19.88% of the issued share capital of the Company as at the Latest Practicable Date, and approximately 16.58% of the issued share capital as enlarged by the issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares will be HK\$3,500,000.

The Subscriber

Smart Jump Corporation is the Subscriber and is a company incorporated in the British Virgin Islands with limited liability and is an indirect non-wholly owned subsidiary of Freeman. The Subscriber is principally engaged in trading of securities. The Company is indebted a loan to a subsidiary of Freeman in principal sum of HK\$50,000,000 (“**the Loan**”). The term of the Loan was originally from 26 September 2014 to 25 October 2014 and has been extended to 25 December 2014. The Loan has an interest rate of 2% per month. To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Subscriber and its associates are Independent Third Parties as at the date of the Subscription Agreement.

Subscription Price

The Subscription Price of HK\$0.25 per Subscription Share represents:

- (i) a discount of approximately 10.71% to the closing price of HK\$0.28 per Share as quoted on the Stock Exchange on 21 October 2014, being the date of the Subscription Agreement; and

LETTER FROM THE BOARD

- (ii) a discount of approximately 14.68% to the average closing price of HK\$0.293 per Share as quoted on the Stock Exchange for the last five trading days up to and including 20 October 2014, being the last trading day immediately prior to the date of the Subscription Agreement.

The Subscription Price of HK\$0.25 per Subscription Share was determined on arm's length basis between the Company and the Subscriber based on current market conditions and the prevailing market price of the Shares. The Directors (including the independent non-executive Directors) consider that the Subscription Price of the Subscription Shares is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Ranking of the Subscription Shares

The Subscription Shares will be issued fully paid up and ranking pari passu in all respects among themselves and with the existing Shares in issue, including as to the right to receive all dividends and distributions which may be declared made or paid after the Completion Date and will be issued free and clear of all liens, encumbrances, equities or other third party rights.

Conditions of the Subscription

Completion of Subscription is conditional upon (i) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Subscription Shares; (ii) the passing of resolution(s) by the Shareholders at the EGM to approve the Subscription Agreement and the transactions contemplated thereunder including the allotment and issue of the Subscription Shares; and (iii) 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 Subscription Agreement and any of the transaction contemplated thereunder.

If the foregoing conditions are not fulfilled on or before 31 December 2014 (or such later date as may be agreed between the Company and the Subscriber), the Subscription Agreement shall terminate and none of the parties to the Subscription Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Subscription Agreement).

Specific Mandate

The Company proposes to seek the grant of the Specific Mandate from the Shareholders at the EGM for allotment and issue of the Subscription Shares.

LETTER FROM THE BOARD

Completion of the Subscription

Completion of the Subscription will take place not later than the second Business Day after the date on which the conditions in respect of the Subscription under the Subscription Agreement are fulfilled or such other date as the Company and the Subscriber may agree. Upon Completion, the Subscriber will be interested in 16.58% of the total issued share capital of the Company and become a substantial shareholder of the Company as illustrated in the below shareholding table.

Other than the circumstance that the latest date to fulfil the conditions of the Subscription (which has been mentioned under the paragraph headed “Conditions of the Subscription”) to be extended so that Completion of the Subscription to take place within one month from the date of EGM, any material change to, including any extensions to the Subscription’s Completion would require re-compliance with the Listing Rules (including, the Shareholders’ approval requirement).

Application for listing

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Subscription Shares.

Effects on shareholding structure of the company

The shareholding structure of the Company as at the Latest Practicable Date and immediately after Completion of the Subscription is as follows (assuming there will not be any change in the issued share capital of the Company from the date of the Subscription Agreement to the Completion Date save for the allotment and issue of the Subscription Shares):

Name of Shareholders	As at the Latest Practicable Date		Immediate after Completion of the Subscription	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Affluent Start Holdings Investment Limited (Note 1)	604,355,000	34.32%	604,355,000	28.63%
Superbowl Development Limited (Note 2)	200,000,000	11.36%	200,000,000	9.47%
Smart Jump Corporation (the Subscriber) (Note 3)	–	–	350,000,000	16.58%
Other public shareholders	956,512,520	54.32%	956,512,520	45.32%
	<u>1,760,867,520</u>	<u>100.00%</u>	<u>2,110,867,520</u>	<u>100.00%</u>

Notes:

1. Affluent Start Holdings Investment Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. King Pak Fu.

LETTER FROM THE BOARD

2. Superbowl Development Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Chen Jianjun.
3. Smart Jump Corporation is a company incorporated in the British Virgin Islands with limited liability which is an indirect non-wholly owned subsidiary of Freeman.

Fund raising activity in the past twelve months

Save as disclosed below, the Company has not undertaken any fund raising activities on any issue of equity securities in the past twelve months before the Latest Practicable Date:

Dates of announcement	Fund raising activities	Net proceeds raised	Proposed use of the net proceeds	Actual use of the proceeds
5 September and 25 September 2014	Placing of 293,477,920 new Shares under the Current General Mandate on a fully underwritten basis at a price of HK\$0.238 per placing Share	HK\$67.25 million	Intended to be used for general working capital of the Group (including trading of securities)	Used as intended

As disclosed in the announcement of the Company on 25 September 2014, 293,477,920 placing shares (“Placing”) have been successfully placed to not less than six placees at the placing price of HK\$0.238 per placing share pursuant to the terms and conditions of the placing agreement entered into between the Company and Skyway Securities Investment Limited (“Skyway”) on 5 September 2014 (“Placing Agreement”). The placees of the Placing (“Placees”) include 12 individuals, namely, Chen Min, Shio Eng, Fung Billie Oi-lai, Chow Kam Wah, Alexia Joulian, Tsang Kai Ming, Yu Man Fung, Alice, Wong Chi Ho, Ip Yeuk Ping Gloria, Lam Wai Ming, Cheung Ka Yee and Ip Cheuk Ho. Pursuant to the Placing Agreement, the Company intends to carry out the proposed refreshment of the existing general mandate after the completion of the Placing but prior to the next annual general meeting of the Company. Pursuant to the Placing Agreement, each of the Placees procured by Skyway has been granted the subscription rights (the “Subscription Rights”) for himself or his nominee(s) to subscribe placing shares in a placing up to but not more than the same percentage of number of the placing shares subscribed by him under the Placing over the aggregate number of placing shares issued and allotted under the Placing. All subscription rights shall be exercised on or before the expiry of the placing period stipulated in the new placing or the same shall be deemed to have lapsed and of no effect.

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Accordingly, all Subscription Rights shall be exercised on or before the expiry of the placing period stipulated in the new placing or the same shall be deemed to have lapsed and of no effect. Therefore, those Placees can exercise the Subscription Rights in the new placing under the New General Mandate once and for all if the existing general mandate of the Company is refreshed and such new placing is materialized. However, in the event that the proposed refreshment of the existing general mandate is not successful prior to the next annual general meeting of the Company for whatsoever reasons, the Subscription Rights shall be deemed to have lapsed and of no effect and the Company shall not be liable for any damages, compensation or liabilities to the holder(s) thereof.

The Company also proposed to refresh the existing general mandate of the Company in the EGM which will be discussed in this letter. If the existing general mandate of the Company is refreshed at the EGM, the Company will be given the financial flexibility to raise capital when lucrative investment opportunities arise. Notwithstanding the Subscription Rights, the Company is not obliged to undertake any new placing under the refreshed general mandate of the Company.

As at the Latest Practicable Date, save for the Subscription, the Company does not have any immediate plans for any new issue of Shares under the New General Mandate which will be discussed further under the paragraph “Reasons for the New General Mandate” in this letter.

Reasons for the Subscription and use of proceeds

The Company is an investment holding company and the Group is principally engaged in the provision of integrated business software solutions and trading of listed securities. As disclosed in the annual report of the Company for the year ended 31 December 2013, the Group is actively searching for other business opportunities apart from its existing software business so as to diversify its business to bring return to its Shareholders. In order to maintain the Group’s sustainability and preservation of value over the longer term, the Group will continue to look for suitable investment opportunities and projects characterised by stable cash inflows and simple management mechanism. The Company is preparing certain information (including the financial information of the target group) for the circular to be despatched in relation to the very substantial acquisition as announced on 27 February 2014. According to the announcement of the Company on 30 September 2014, the Company expects that the date of despatch of the Circular will be postponed to a date on or before 30 November 2014 or such a later date as announced by the Company in separate announcement.

LETTER FROM THE BOARD

Upon the full subscription of the 350,000,000 Subscription Shares, the gross proceeds raised from the Subscription will be approximately HK\$87.5 million. After taking into account the estimated expenses in relation to the Subscription, the estimated net proceeds from the Subscription will be approximately HK\$86.15 million, representing a net price of HK\$0.2461 per Subscription Share. The net proceeds from the Subscription are intended to be used for repayment of debt of the Group and general working capital of the Group (including trading of securities). As at the Latest Practicable Date, major loans or outstanding payables incurred by the Group (other than those trade and other payables) include (i) unsecured borrowing of HK\$1.67 million which is due by the end of 2014; and (ii) secured bank loans of RMB10 million borrowed in the PRC (equivalent to HK\$12.5 million) which includes RMB6 million (equivalent to HK\$7.5 million) due in August 2015 and RMB4 million (equivalent to HK\$5 million) due in November 2014 respectively. In relation to the repayment of debt of the Group, the net proceeds will be used to repay the principal and/or accrued interest as of 25 December 2014 (the due date of the Loan) of the Loan of approximately HK\$53 million owed to the said subsidiary of Freeman. The remaining amount of the net proceeds from the Subscription of approximately HK\$33.15 million after repayment of the Loan, will be used for repayment of debt of the Group and general working capital of the Group (including trading of securities).

The Directors consider that the Subscription represents a good opportunity to raise additional funds to meet the Company's funding needs, to reduce debt by way of raising funds through equities and to strengthen the shareholder base of the Company. Accordingly, the Directors consider that the terms of the Subscription Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

CURRENT GENERAL MANDATE

At the AGM, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Current General Mandate to issue not more than 293,477,920 Shares, being 20% of the aggregate nominal amount of the issued share capital of the Company of 1,467,389,600 Shares as at the date of passing of the resolution at the AGM.

During the period from the grant of the Current General Mandate to the Latest Practicable Date, the Current General Mandate has been utilised as to 293,477,920 new Shares under the Placing completed on 25 September 2014. Such 293,477,920 new Shares were allotted and issued on 25 September 2014 by the Company and represented 100% of the aggregate number of Shares which may be allotted and issued under the Current General Mandate. Please refer to the Company's announcements dated 5 September 2014 and 25 September 2014 for further details regarding the Placing.

LETTER FROM THE BOARD

The Company has not refreshed the Current General Mandate since the AGM. Subsequent to the Placing, the number of issued share capital has been increased and the Company has an aggregate of 1,760,867,520 Shares in issue as at the Latest Practicable Date.

Proposed Grant of the New General Mandate

Subject to the passing of an ordinary resolution for the approval of the New General Mandate and on the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Company would be allowed under the New General Mandate to allot and issue up to 352,173,504 Shares, being 20% of the total number of Shares in issue at the Latest Practicable Date.

At the EGM, ordinary resolutions will be proposed to the Independent Shareholders that:

- (i) the Directors be granted the New General Mandate to allot and issue Shares not exceeding 20% of the share capital of the Company in issue as at the date of passing the relevant ordinary resolution; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM.

The New General Mandate will expire at the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the date by which the next annual general meeting is required by the Articles of Association or the applicable laws of the Cayman Islands to be held; or
- (c) when the authority given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

LETTER FROM THE BOARD

Reasons for the New General Mandate

The principal activities of the Group are provision of integrated business software solutions and trading of listed securities.

As explained in the section headed “Current General Mandate” above, the Current General Mandate had been utilised as to 293,477,920 Shares, being 100% of the aggregate number of Shares which may be allotted and issued under the Current General Mandate.

As disclosed in the announcement of the Company on 25 September 2014, pursuant to the Placing Agreement, the Company intends to carry out the proposed refreshment of the existing general mandate after the completion of the Placing but prior to the next annual general meeting of the Company.

In view of the above intention of the Company and the reasons to grant the New General Mandate, although the Company does not have any immediate plans for any new issue of Shares under the New General Mandate (save for the Subscription) as at the Latest Practicable Date, the Board intends to seek Shareholders’ approval for the New General Mandate. In view of (i) the Current General Mandate has been fully utilised in September 2014; (ii) net proceeds from the Placing were fully utilised as described below; and (iii) the New General Mandate will enhance the financial flexibility of the Company for raising capital when lucrative investment opportunities arise, the Board believes that the proposed grant of the New General Mandate on or before the date of next annual general meeting (i.e. on or before mid August 2015) is in the best interests of the Company and the Shareholders as a whole by maintaining the flexibility for any future allotment and issue of Shares by the Board necessary for the Group’s future business development. Should future funding needs arise or attractive terms for investment in the Shares become available from potential investors, the Board will be able to respond to the market and such investment opportunities promptly because fund raising exercise pursuant to a general mandate provides the Company a more simple and less lead time process than other types of fund raising exercises and to avoid the uncertainties and such circumstances that specific mandate may not be obtained in a timely manner.

LETTER FROM THE BOARD

The following table summaries the use of the Current General Mandate since the AGM as well as the Company's equity fund raising exercise over the past 12 months immediately preceding the Latest Practicable Date:

Date of announcements	Fund raising activities	Net proceeds raised	Proposed use of the net proceeds	Actual use of the proceeds
5 September 2014 and 25 September 2014	Placing of 293,477,920 new Shares under the Current General Mandate on a fully underwritten basis at a price of HK\$0.238 per placing Share	HK\$67.25 million	Intended to be used for general working capital of the Group (including trading of securities)	Used as intended
21 October 2014 (<i>note</i>)	Subscription of 350,000,000 new Shares by Smart Jump Corporation	HK\$86.15 million	Intended to be used for repayment of debt of the Group and general working capital of the Group (including trading of securities)	Will be used as intended assuming Completion of the Subscription

Note: The Subscription has not completed as at the Latest Practicable Date and is subject to approval of the Shareholders at the EGM.

In view of the above, the Directors consider the grant of the New General Mandate, which may or may not be utilised, is in the best interests of the Company and the Shareholders as a whole.

Listing Rules Implications

Pursuant to Rule 13.36(4)(a) of the Listing Rules, the New General Mandate requires the approval of the Independent Shareholders at the EGM at which any of the controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions.

The Company has one controlling shareholder. As at the Latest Practicable Date, Affluent Start Holdings Investment Limited, a company which is wholly owned by Mr. King Pak Fu, was interested in 604,355,000 Shares, representing approximately 34.32% of the entire issued share capital of the Company. As such, Affluent Start Holdings Investment Limited shall abstain from voting in favour of the relevant ordinary resolutions.

According to Listing Rule 2.15, any shareholder that has a material interest in the transaction or arrangement shall abstain from voting on the resolution(s) approving the transaction or arrangement at the general meeting. On this basis, the Placees in the Placing will be considered to have a material interest in the New General Mandate and Placees shall abstain from voting on the resolution(s) approving the New General Mandate to the extent of Shares they hold at the EGM. As at the Latest Practicable Date, none of the Placees was interested in any Shares. If the Placees hold any Shares at the EGM, they shall abstain from voting on the resolution(s) approving the New General Mandate to the extent of Shares they hold at the EGM.

LETTER FROM THE BOARD

Further, pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Independent Shareholders at the EGM will be taken by poll for the ordinary resolutions in relation to the grant and extension of the New General Mandate.

Shareholding Structure

The following table sets out the shareholding structure of the Company as at (i) the Latest Practicable Date; and (ii) upon the full utilisation of the New General Mandate:

Name of Shareholders	As at the		Immediate after Completion	
	Latest Practicable Date		of the Subscription and	
			upon full utilization of	
	<i>No. of</i>	<i>Approximate</i>	<i>No. of</i>	<i>Approximate</i>
	<i>Shares</i>	<i>%</i>	<i>Shares</i>	<i>%</i>
Affluent Start Holdings Investment Limited (<i>Note 1</i>)	604,355,000	34.32%	604,355,000	28.60%
Superbowl Development Limited (<i>Note 2</i>)	200,000,000	11.36%	200,000,000	9.47%
Shares issued under the New General Mandate	–	–	352,173,504	16.67%
Other public Shareholders	956,512,520	54.32%	956,512,520	45.26%
	<u>1,760,867,520</u>	<u>100.00%</u>	<u>2,113,041,024</u>	<u>100.00%</u>

Notes:

- Affluent Start Holdings Investment Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. King Pak Fu.
- Superbowl Development Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Chen Jianjun.

Assuming that (i) the grant of the New General Mandate is approved at the EGM; (ii) no Shares will be repurchased and no new Shares will be issued from the Latest Practicable Date up to the date of the EGM; and (iii) upon full utilisation of the New General Mandate, 352,173,504 Shares are to be issued, which represents approximately 16.67% of enlarged share capital of the Company. Upon Completion of the Subscription and full utilisation of the New General Mandate, the aggregate shareholding of the existing public Shareholders will be decreased from 54.32% to 45.26%. However, as the shareholding of Superbowl Development Limited will be decreased from 11.36% to 9.47%, it will cease to be a substantial shareholder and will be treated as a public Shareholder. As a result, the aggregate shareholding of the public Shareholders will be increased from approximately 54.32% to approximately 54.73%.

LETTER FROM THE BOARD

Independent Board Committee

The Independent Board Committee comprises Mr. Yau Yan Ming, Raymond, Ms. Hu Gin Ing and Mr. Zhang Xiaoman, all being independent non-executive Directors. It has been established to advise the Independent Shareholders on the grant of the New General Mandate.

Nuada Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the grant of the New General Mandate.

EGM

The notice convening the EGM is set out on pages 29 to 32 of this circular. At the EGM, ordinary resolutions will be proposed to approve, among other matters, (1) the Subscription Agreement and the issue and allotment of Subscription Shares under the Specific Mandate, and (2) the proposed grant and extension of the New General Mandate. Pursuant to Rule 13.39(4) of Listing Rules, the Subscription Agreement and transactions contemplated thereunder, and the proposed grant and extension of the New General Mandate will be voted on by way of poll by the Shareholders at the EGM. An announcement will be made by the Company on the results of the EGM.

A form of proxy for use at the EGM is also enclosed with this circular. To be valid, the enclosed form of proxy, together with any power of attorney or other authority under which it is signed must be completed in accordance with the instructions printed thereon and delivered to the Company's branch share registrar and transfer office 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 EGM or any adjourned meeting. The completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting in person if you so wish.

RECOMMENDATION

The Board considers that the Subscription Agreement and the issue and allotment of Subscription Shares under the Specific Mandate are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of the resolution at the EGM.

LETTER FROM THE BOARD

Your attention is drawn to the letter of advice from the Independent Financial Adviser as set out on pages 19 to 28 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in connection with the grant of the New General Mandate and the letter from the Independent Board Committee set out on page 18 of this circular which contains its recommendation to the Independent Shareholders in relation to the grant of the New General Mandate.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the grant of the New General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and the New General Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the EGM for approving the grant of the New General Mandate. The Directors (including the independent non-executive Directors), having taken into account of the advice of the Independent Financial Adviser and the Independent Board Committee, consider the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole and accordingly recommend the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the EGM for approving the grant of the New General Mandate.

RESPONSIBILITY STATEMENT

This circular for which 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.

By Order of the Board
Enterprise Development Holdings Limited
Jia Bowei
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED 企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

25 November 2014

To the Independent Shareholders

Dear Sir or Madam,

REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES

We refer to the circular of the Company dated 25 November 2014 (the “**Circular**”) of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the Circular.

We have been appointed by the Board to advise the Independent Shareholders as to whether the terms of the proposed grant of the New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned. Nuada Limited has been appointed as the independent financial adviser to advise us in this respect.

Having considered the advice of the Independent Financial Adviser as set out in its letter of advice to us on pages 19 to 28 of the Circular, we are of the opinion that the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole and the terms of which are fair and reasonable so far as the Company and the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the grant of the New General Mandate by way of poll.

Yours faithfully,

For and on behalf of the
Independent Board Committee

Yau Yan Ming, Raymond

Hu Gin Ing

Zhang Xiaoman

Independent Non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the text of a letter received from Nuada Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the grant of the New General Mandate for the purpose of inclusion in this circular.

Nuada Limited
Corporate Finance Advisory

Unit 1805-08, 18/F
OfficePlus @Sheung Wan
93-103 Wing Lok Street
Sheung Wan, Hong Kong
香港上環永樂街93-103號
協成行上環中心18樓1805-08室

25 November 2014

*To the independent board committee and the independent shareholders of
Enterprise Development Holdings Limited*

Dear Sirs,

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the grant of the New General Mandate, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 25 November 2014 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

As at the Latest Practicable Date, no more new Shares could be issued under the Current General Mandate which was granted by the Shareholders to the Directors at the AGM had been fully utilized after the completion of the placing of the Shares, details of which are set out in the Company’s announcement dated 25 September 2014 (the “**Placing**”). Therefore, the Board proposes to seek approval of the Independent Shareholders for the grant of the New General Mandate such that the Directors will be granted the authority to allot and issue new Shares not exceeding 20% of the total issued share capital of the Company as at the date of passing the relevant resolution at the EGM. Pursuant to Rule 13.36(4)(a) of the Listing Rules, the granting of the New General Mandate requires the approval of the Independent Shareholders at the EGM at which any of the controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates are required to abstain from voting in favour of the resolution proposed for the approval of such grant, and under Rule 13.39 of the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Listing Rules, any vote of the shareholders at the general meeting must be taken by way of poll. As at the Latest Practicable Date, Affluent Start Holdings Investment Limited, a company which is wholly owned by Mr. King Pak Fu, the controlling Shareholder, was interested in 604,355,000 issued Shares, representing approximately 34.32% of the total issued share capital of the Company. Saved as disclosed above, none of the Directors (excluding independent non-executive Directors) and their respective associates hold any interest in the Shares as at the Latest Practicable Date. Therefore, Affluent Start Holdings Investment Limited and its associates (if any) who as at the date of EGM shall hold any Shares, are required to abstain from voting in favour of the relevant resolution to approve the grant of the New General Mandate.

According to Listing Rule 2.15, any shareholder that has a material interest in the transaction or arrangement shall abstain from voting on the resolution(s) approving the transaction or arrangement at the general meeting. On this basis, the placees in the Placing (the “Placees”) will be considered to have a material interest in the New General Mandate and Placees shall abstain from voting on the resolution(s) approving the New General Mandate to the extent of Shares they hold at the EGM. As at the Latest Practicable Date, none of the Placees was interested in any Shares. If the Placees hold any Shares at the EGM, they shall abstain from voting on the resolution(s) approving the New General Mandate to the extent of Shares they hold at the EGM.

The Independent Board Committee comprising Mr. Yau Yan Ming, Raymond, Ms. Hu Gin Ing, and Mr. Zhang Xiaoman (all being independent non-executive Directors) has been established to advise the Independent Shareholders on the grant of New General Mandate. We, Nuada Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, that having made all reasonable enquiries, which to the best of their knowledge and belief, that the information contained in the 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 in the Circular or the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, its subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the grant of the New General Mandate. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date.

Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. Nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the grant of the New General Mandate, we have taken into consideration the following principal factors and reasons:

(i) **Background information of the grant of the New General Mandate**

The Company is an investment holding company and the Group is principally engaged in the provision of integrated business software solutions and trading of listed securities.

The Directors were authorised to allot and issue up to 293,477,920 new Shares under the Current General Mandate which was granted to the Directors at the AGM.

Upon completion of the Placing, an aggregate of 293,477,920 new Shares (the “**Placing Shares**”) were issued under the Current General Mandate. Accordingly the Current General Mandate has been fully utilised as at the Latest Practicable Date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Given that the Current General Mandate has been fully utilised as a result of the Placing, the Board proposes to seek approval of the Independent Shareholders for the proposed grant of the New General Mandate such that the Directors will be granted the authority to allot and issue new Shares not exceeding 20% of the total issued share capital of the Company as at the date of passing the relevant resolution at the EGM.

As at the Latest Practicable Date, the Company had 1,760,867,520 Shares in issue. On the basis that no Share would be issued be/or repurchased by the Company, no share option of the Company would be exercised from the Latest Practicable Date up to the date of the EGM, New General Mandate would allow the Directors to allot and issue up to 352,173,504 new Shares, representing 20% of the total issued share capital of the Company as at the date of the EGM.

(ii) Reasons for the proposed grant of the New General Mandate

With reference to the Board Letter, the Board would like to provide flexibility for the Company to raise funds for its future business development and/or opportunities to be identified by the Company through equity financing. Given that equity financing (i) does not incur any interest expenses on the Group as compared with bank financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the capability to capture any capital raising and/or prospective investment opportunity as and when it arises, the Board proposes to grant the New General Mandate for the Directors to allot and issue new Shares with an aggregate nominal amount of not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the EGM.

As confirmed by the Directors, the Group's core business is provision of integrated business software solutions and trading of listed securities. According to the Company's interim report for the six months period ended 30 June 2014, the Group recorded a turnover of approximately RMB170.52 million (six months ended 30 June 2013: RMB68.90 million) for the six months ended 30 June 2014, of which turnover from (i) software maintenance and other services amounted to approximately RMB138.38 million (six months ended 30 June 2013: RMB68.27 million); (ii) sale of software products and others amounted to approximately RMB2.32 million (six months ended 30 June 2013: RMB4.35 million); (iii) fair value gains of approximately RMB29.82 million on held for trading investments (six months ended 30 June 2013: losses of approximately RMB3.81 million); and (iv) no dividend income (six months ended 30 June 2013: approximately RMB0.09 million). Accordingly, the increase in turnover for the six months period ended 30 June 2014 as compared to the previous corresponding period was mainly due to the fair value gains on held for trading investments (which is non-cash in nature) and the increase in turnover from the business of software maintenance and other services. For the six months ended 30 June

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2014, the Group recorded a profit for the period of approximately RMB23.02 million (six months ended 30 June 2013: loss of approximately RMB1.87 million). Notwithstanding the increase in turnover and the profit recorded for the six months ended 30 June 2014, the Group recorded net cash outflow of approximately RMB37.10 million (equivalent to approximately HK\$46.38 million based on the exchange rate at RMB1.00 = HK\$1.25) for the six months ended 30 June 2014 with monthly average net cash outflow of approximately RMB6.18 million (equivalent to approximately HK\$7.73 million).

According to the management of the Company, as at 31 October 2014, the cash balance on hand of the Group is approximately HK\$40 million. According to the Board Letter, the Company is indebted a loan to a subsidiary of Freeman in principal sum of HK\$50,000,000 (the “**Loan**”). The term of the Loan was originally from 26 September 2014 to 25 October 2014 and has been extended to 25 December 2014. The Loan has an interest rate of 2% per month. On 21 October 2014, the Company announced the Subscription, pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe 350,000,000 Subscription Shares at HK\$0.25 per Subscription Share, further details of which are set out in the Board Letter, which is subject to approval of the Shareholders at the EGM and has not completed as at the Latest Practicable Date.

As stated in the Board Letter, upon the full subscription of the 350,000,000 Subscription Shares, the gross proceeds raised from the Subscription will be approximately HK\$87.5 million. After taking into account the estimated expenses in relation to the Subscription, the estimated net proceeds from the Subscription will be approximately HK\$86.15 million, representing a net price of HK\$0.2461 per Subscription Share. The net proceeds from the Subscription are intended to be used for repayment of debt of the Group and general working capital of the Group (including trading of securities). As at the Latest Practicable Date, major loans or outstanding payables incurred by the Group (other than those trade and other payables) is approximately HK\$14.17 million (the “**Other Debt**”) include (i) unsecured borrowing of HK\$1.67 million which is due by the end of 2014; and (ii) secured bank loans of RMB10 million borrowed in the PRC (equivalent to HK\$12.5 million) which includes RMB6 million (equivalent to HK\$7.5 million) due in August 2015 and RMB4 million (equivalent to HK\$5 million) due in November 2014 respectively. In relation to the repayment of debt of the Group, the net proceeds will be used to repay the principal and/or accrued interest as of 25 December 2014 (the due date of the Loan) of the Loan of approximately HK\$53 million owed to the said subsidiary of Freeman. The remaining amount of the net proceeds from the Subscription of approximately HK\$33.15 million after repayment of the Loan, will be used for repayment of debt of the Group and general working capital of the Group (including trading of securities).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Given (i) the cash on hand as at 31 October 2014 of approximately HK\$40 million and the net proceed from the Subscription of approximately HK\$18.98 million (adjusted by the aggregate amount of the Loan and the Other Debt) as at the Latest Practicable Date as stated above); and (ii) net cash outflow of the Group for the six months period ended 30 June 2014, we consider that funding requirement might be required for the Group for general working capital (including trading of securities) as well as other investment opportunities.

Based on the aforesaid information, we are of the view the Company may have to conduct equity fund raising activities if the Company has cash flow needs such as identify new investment opportunities.

Given the foregoing, we are of the opinion that the grant of the New General Mandate would provide the Company with the necessary flexibility to fulfil any possible funding needs for business operation and/or investment decisions. Accordingly, we are of the view that the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole.

(iii) Fund raising activities in the past twelve months

Set out below are the fund raising activities announced by the Company in the past twelve months prior to the Latest Practicable Date:

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Proposed use of proceeds	Actual use of the net proceeds
5 September 2014 and 25 September 2014	Placing of 293,477,920 new Shares under the general mandate granted on 16 May 2014 on a fully underwritten basis at a price of HK\$0.238 per placing Share	HK\$67.25 million	Intended to be used for general working capital of the Group (including trading of securities)	Used as intended
21 October 2014 (<i>note</i>)	Subscription of 350,000,000 new Shares by Smart Jump Corporation	HK\$86.15 million	Intended to be used for repayment of debt of the Group and general working capital of the Group (including trading of securities)	Will be used as intended assuming Completion of the Subscription

Note: The Subscription has not completed as at the Latest Practicable Date and is subject to approval of the Shareholders at the EGM.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(iv) Flexibility in financing

As advised by the Directors, save for the Subscription as mentioned in the sub-section headed “Reasons for the proposed grant of the New General Mandate” above, further details of which are set out in the Board Letter, the Group does not obviate the possibilities of further issuing capital should there be investor(s) indicating interest in the business of the Company in the future although there were no such investors as at the Latest Practicable Date.

As disclosed in the announcement of the Company on 25 September 2014 regarding the Placing, the Placing Shares have been successfully placed to not less than six placees at the placing price of HK\$0.238 per placing share pursuant to the terms and conditions of the placing agreement entered into between the Company and Skyway Securities Investment Limited (“**Skyway**”) on 5 September 2014 (“**Placing Agreement**”). As stated in the Board Letter, the Placees include 12 individuals, namely, Chen Min, Shio Eng, Fung Billie Oi-lai, Chow Kam Wah, Alexia Jouliau, Tsang Kai Ming, Yu Man Fung, Alice, Wong Chi Ho, Ip Yeuk Ping Gloria, Lam Wai Ming, Cheung Ka Yee and Ip Cheuk Ho. Pursuant to the Placing Agreement, the Company intends to carry out the proposed refreshment of the existing general mandate after the completion of the Placing but prior to the next annual general meeting of the Company. Pursuant to the Placing Agreement, each of the Placees procured by Skyway has been granted the subscription rights (the “**Subscription Rights**”) for himself or his nominee(s) to subscribe placing shares in a placing up to but not more than the same percentage of number of the placing shares subscribed by him under the Placing over the aggregate number of placing shares issued and allotted under the Placing. All subscription rights shall be exercised on or before the expiry of the placing period stipulated in the new placing or the same shall be deemed to have lapsed and of no effect.

Accordingly, all Subscription Rights shall be exercised on or before the expiry of the placing period stipulated in the new placing or the same shall be deemed to have lapsed and of no effect. Therefore, those Placees can exercise the Subscription Rights in the new placing under the New General Mandate once and for all if the existing general mandate of the Company is refreshed and such new placing is materialized. However, in the event that the proposed refreshment of the existing general mandate is not successful prior to the next annual general meeting of the Company for whatsoever reasons, the Subscription Rights shall be deemed to have lapsed and of no effect and the Company shall not be liable for any damages, compensation or liabilities to the holder(s) thereof.

Notwithstanding the Subscription Rights, according to the management of the Company, the Company is not obliged to undertake any new placing under the refreshed general mandate of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

After discussion with the management of the Company, we understand that the Company does not have any plan to utilize the New General Mandate as at the Latest Practicable Date.

As discussed in the foregoing, we consider that the grant of the New General Mandate would provide the Company with the necessary flexibility to fulfil any possible funding needs for future business development and/or investment decisions. The grant of the New General Mandate would provide the Company with the flexibility as allowed under the Listing Rules to allot and issue new Shares for equity fund raising activities, such as placing of new Shares, or as consideration for potential investments in the future as and when such opportunities arise. Furthermore, the additional amount of equity which may be raised after the grant of the New General Mandate would provide the Group with more financing options when assessing and negotiating potential investments in a timely manner. Given the financial flexibility available to the Company as discussed above, we are of the opinion that the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole.

(v) Other financing alternatives

We have enquired with the Directors and the Directors confirmed that apart from equity financing, the Group may also consider debt financing, such as bank borrowings, to be other possible fund raising alternatives available to the Group. However, the Directors are of the view that the ability of the Group to obtain bank borrowings usually depends on the Group's financial position and the then prevailing market condition. Furthermore, such alternative may be subject to lengthy due diligence and negotiations with banks. Given that debt financing will usually incur interest burden on the Group, the Directors consider debt financing to be relatively uncertain and time-consuming as compared to equity financing for the Group to obtain additional funding.

The Directors confirmed that they would exercise due and careful consideration when choosing the best financing method available to the Group such as debt financing and equity financing, including but not limited to, rights issue and open offer. With this being the case, along with the fact that the grant of the New General Mandate will provide the Company an additional alternative and it is reasonable for the Company to have the flexibility in deciding the financing methods for its future business development, we are of the view that the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(vi) Potential dilution to shareholding of the existing public Shareholders

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after Completion of the Subscription and upon full utilisation of the New General Mandate (assuming that no other Shares are issued and/or repurchased by the Company from the Latest Practicable Date up to the date on which the New General Mandate (if granted) is utilized in full):

	Shareholding in the Company as at the Latest Practicable Date		Shareholding in the Company immediately after Completion of the Subscription and upon full utilisation of the New General Mandate	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Affluent Start Holdings Investment Limited <i>(Note 1)</i>	604,355,000	34.32	604,355,000	28.60
Superbowl Development Limited <i>(Note 2)</i>	200,000,000	11.36	200,000,000	9.47
Shares to be issued under the New General Mandate	–	–	352,173,504	16.67
Other public Shareholders	<u>956,512,520</u>	<u>54.32</u>	<u>956,512,520</u>	<u>45.26</u>
Total	<u><u>1,760,867,520</u></u>	<u><u>100.00</u></u>	<u><u>2,113,041,024</u></u>	<u><u>100.00</u></u>

Notes:

1. Affluent Start Holdings Investment Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. King Pak Fu.
2. Superbowl Development Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Chen Jianjun.

The table above illustrates that the shareholdings of the existing public Shareholders would decrease from approximately 54.32% as at the Latest Practicable Date to approximately 45.26% immediately after Completion at the Subscription and upon full utilisation of New General Mandate (assuming that no other Shares are issued and/or repurchased by the Company from the Latest Practicable Date up to the date on which New General Mandate (if granted) is utilized in full). Such potential dilution to shareholdings of the existing public Shareholders represents a dilution of approximately 16.67%.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Taking into account that the grant of the New General Mandate (i) would provide an alternative for the Company to raise further capital under the New General Mandate; (ii) would provide more options of financing to the Group for further development of its business as well as in other potential future investments as and when such opportunities arise; (iii) the shareholding interests of all the Shareholders in the Company will be diluted in proportion to their respective shareholdings upon any utilisation of New General Mandate, we are of the opinion that the potential dilution of the shareholdings of the existing public Shareholders as just mentioned is justifiable.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that the proposed grant of the New General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at EGM to approve the proposed grant of the New General Mandate and we recommend the Independent Shareholders to vote in favour of the ordinary resolution in this regard.

Yours faithfully,
For and on behalf of
Nuada Limited

Po Chan
Executive Director

Ms. Po Chan is a person licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO and is a responsible officer of Nuada Limited who has over 14 years of experience in corporate finance industry.

NOTICE OF EGM



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED 企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Enterprise Development Holdings Limited (“**Company**”) will be held at United Conference Centre, 10/F., United Centre, 95 Queensway, Hong Kong on Friday, 12 December 2014 at 2:00 p.m. to approve, with or without modification, the following ordinary resolutions:

ORDINARY RESOLUTIONS

1. **“THAT:**
 - (a) the conditional subscription agreement dated 21 October 2014 (the “**Subscription Agreement**”) (a copy of which is marked “A” now produced to the meeting and initialled by the chairman of the meeting for the purpose of identification) entered into between the Company and Smart Jump Corporation in respect of the issue of 350,000,000 new shares of HK\$0.01 each in the capital of the company (“**Subscription Shares**”) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
 - (b) subject to fulfilment of the conditions precedent set out in the Subscription Agreement, the allotment and issue of the Subscription Shares in accordance with the terms and conditions of the Subscription Agreement be and is hereby approved;
 - (c) the directors of the Company (the “**Directors**”) be and are hereby granted a specific mandate (“**Specific Mandate**”) to exercise the powers of the Company to allot and issue the Subscription Shares pursuant to the terms and conditions of the Subscription Agreement, such Subscription Shares shall rank equally in all respects among themselves and with all fully paid ordinary shares of the Company in issue as at the date of allotment and issue. The Specific Mandate is in addition to, and shall not prejudice nor revoke any general or special mandate(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution;

NOTICE OF EGM

- (d) any one or more of the Directors be and are hereby authorised to do all such other acts and take all such other actions on behalf of the Company, including but not limited to the signing or execution of all such other documents under seal (where applicable) as he/she/they may consider necessary, expedient or desirable for the purpose of or in connection with the implementation of or giving effect to the Subscription Agreement and the transactions contemplated thereunder, including but not limited to the exercise or enforcement of any of the Company's rights under the Subscription Agreement and to make and agree to such variation of the terms of the Subscription Agreement as any such Director(s) may consider to be appropriate and in the interests of the Company and the Shareholders as a whole."

2. **"THAT:**

- (a) subject to paragraph (c) of this resolution below, the exercise by the Directors of the Company 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 ("**Shares**") and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which might require the exercise of such powers during or 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) by the Directors pursuant to the approval in paragraphs (a) and (b) of this resolution above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any options granted under the share option scheme adopted by the Company or an issue of Shares upon the exercise of subscription rights attached to the warrants which might be issued by the Company or an issue of Shares in lieu of the whole or part of a dividend on shares or any scrip dividend scheme or similar arrangement in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the day of passing this resolution; and

NOTICE OF EGM

- (d) for the purposes of this resolution, “Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company; or
 - (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 law of the Cayman Islands to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).”

3. “**THAT** conditional upon the passing of resolution no. 2 above, the mandate granted to the Directors at the annual general meeting of the Company on 16 May 2014 to extend the general mandate to allot and issue Shares of the Company to Shares repurchased by the Company be and is hereby revoked and replaced by the mandate **THAT** the Directors be and they are hereby authorised to exercise the authority to add the aggregate nominal amount of the share capital of the Company which are repurchased by the Company pursuant to and in accordance with the ordinary resolution no. 5 granted to the Directors at the annual general meeting of the Company on 16 May 2014 to the aggregate nominal amount of the share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with ordinary resolution no. 2 above.”

By order of the Board
Enterprise Development Holdings Limited
Jia Bowei
Chairman

Hong Kong, 25 November 2014

NOTICE OF EGM

Registered Office:

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

Principal place of business

in Hong Kong:
Suite 904-5, 9/F
Great Eagle Centre
23 Harbour Road
Wanchai, Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint one or more separate proxy(ies) to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the Meeting is enclosed with the circular of the Company dated 25 November 2014.
3. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) must be delivered to the Company's branch share registrar and transfer office 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 holding the Meeting (or any adjournment thereof). Completion and return of the form of proxy shall not preclude members from attending and voting in person at the Meeting or at any adjourned meeting (as the case may be) should they so wish.
4. Where there are joint registered holders of any share in the Company, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders are present at the Meeting personally or by proxy, the joint member whose name stands first on the register of members of the Company in respect of such share, or his proxy, shall alone be entitled to vote and will be accepted to the exclusion of other joint registered holder(s) in respect thereof.
5. The votes at the Meeting will be taken by poll.

As at the date of this notice, the board of directors of the Company comprises three executive Directors, namely Mr. Jia Bowei (Chairman), Mr. Lam Kwan Sing (Chief Executive Officer) and Mr. Wang Jun; and three independent non-executive Directors, namely Mr. Yau Yan Ming, Raymond, Ms. Hu Gin Ing and Mr. Zhang Xiaoman.