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

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

**If you have sold or transferred** all your shares in Success Universe Group Limited, you should at once hand this circular, together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**SUCCESS**

**SUCCESS UNIVERSE GROUP LIMITED**

**實德環球有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00487)**

**PROPOSALS INVOLVING RE-ELECTION OF RETIRING DIRECTORS,  
GENERAL MANDATES FOR ISSUE OF NEW SHARES OF THE COMPANY  
AND REPURCHASE OF ITS OWN SHARES,  
ADOPTION OF NEW SHARE OPTION SCHEME AND  
TERMINATION OF EXISTING SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 5 to 11 of this circular.

A notice convening the AGM to be held at Boardroom 8, Lower Lobby, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 5 June 2014 at 2:30 p.m. is set out on pages 29 to 34 of this circular.

Whether or not you are able to attend the AGM in person, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

30 April 2014

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## DEFINITIONS

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*In this circular, the following expressions have the meanings respectively set out below unless the context requires otherwise:*

“AGM”	the forthcoming annual general meeting of the Company to be held at Boardroom 8, Lower Lobby, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 5 June 2014 at 2:30 p.m., notice of which is set out on pages 29 to 34 of this circular
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors or a duly authorised committee of the board of Directors
“Business Day”	has the meaning ascribed to it in the Listing Rules
“Bye-laws”	the bye-laws of the Company (as amended, modified or supplemented from time to time)
“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time)
“Company”	Success Universe Group Limited (Stock Code: 00487), a company incorporated in Bermuda with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Dr. Ma”	Dr. Ma Ho Man, Hoffman, an executive Director and the Deputy Chairman of the Company

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## DEFINITIONS

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“Eligible Person(s)”	<p>any person(s) belonging to any of the following classes:</p> <ul style="list-style-type: none"><li>(i) any employee (whether full time or part time and including executive director) of any member(s) of the Group or any Invested Entity;</li><li>(ii) any non-executive director (including independent non-executive director) of any member of the Group or any Invested Entity;</li><li>(iii) any consultant, adviser or agent (legal, financial or professional) engaged by any member of the Group or any Invested Entity, who, under the terms of relevant engagement with the Group or the relevant Invested Entity, is eligible to participate in a share option scheme of the Company; and</li><li>(iv) any vendor, supplier of goods or services or customer of or to any member of the Group or any Invested Entity who, under the terms of relevant agreement with the Group or the relevant Invested Entity, is eligible to participate in a share option scheme of the Company</li></ul>
“Executive Committee”	the executive committee of the Board
“Exercise Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in paragraph (3) of Appendix III to this circular
“Existing Share Option Scheme”	the share option scheme adopted by the Company on 20 August 2004
“Grantee(s)”	any Eligible Person(s) who accepts an offer of the grant of an Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person who is entitled to exercise any Option accepted by the original Grantee (to the extent not already exercised) in consequence of the death of the original Grantee

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## DEFINITIONS

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“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which any member of the Group holds any equity interest and any subsidiary of such entity
“Latest Practicable Date”	25 April 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Committee”	has the meaning ascribed to it in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Choi”	Mr. Choi Kin Pui, Russelle, a non-executive Director
“Mr. Yeung”	Mr. Yeung Hoi Sing, Sonny, an executive Director and the Chairman as well as a controlling shareholder of the Company
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the AGM, the principal terms of which are summarized in Appendix III to this circular
“Nomination Committee”	the nomination committee of the Board
“Notice of the AGM”	the notice of the AGM as set out on pages 29 to 34 of this circular
“Offer Date”	the date (being a Business Day) on which an Option is offered, conditionally or unconditionally, to an Eligible Person pursuant to the New Share Option Scheme
“Option(s)”	right(s) to subscribe for Share(s) granted or to be granted to the Eligible Person(s) under the New Share Option Scheme

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## DEFINITIONS

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“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the proposed general and unconditional mandate to be granted to the Directors to exercise all powers of the Company to repurchase Shares not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution numbered 4(A) set out in the Notice of the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Issue Mandate”	the proposed general and unconditional mandate to be granted to the Directors to exercise all powers of the Company to allot, issue and deal with additional Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of ordinary resolutions numbered 4(B) and (C) set out in the Notice of the AGM
“Shareholder(s)”	holder(s) of Share(s)
“Silver Rich”	Silver Rich Macau Development Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by a discretionary trust, the beneficiaries of which are family members of Mr. Yeung
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Success Securities”	Success Securities Limited, a licensed corporation under the SFO as well as a participant of the Stock Exchange, which is beneficially wholly-owned by Mr. Yeung
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

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## LETTER FROM THE BOARD

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# SUCCESS

## SUCCESS UNIVERSE GROUP LIMITED

### 實德環球有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00487)**

*Executive Directors:*

Mr. Yeung Hoi Sing, Sonny (*Chairman*)  
Dr. Ma Ho Man, Hoffman (*Deputy Chairman*)

*Non-executive Director:*

Mr. Choi Kin Pui, Russelle

*Independent non-executive Directors:*

Mr. Luk Ka Yee, Patrick  
Ms. Yeung Mo Sheung, Ann  
Mr. Chin Wing Lok, Ambrose

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

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

Suite 1601-2 & 8-10, 16/F.  
Great Eagle Centre  
23 Harbour Road  
Wanchai  
Hong Kong

30 April 2014

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS INVOLVING RE-ELECTION OF RETIRING DIRECTORS,  
GENERAL MANDATES FOR ISSUE OF NEW SHARES OF THE COMPANY  
AND REPURCHASE OF ITS OWN SHARES,  
ADOPTION OF NEW SHARE OPTION SCHEME AND  
TERMINATION OF EXISTING SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

### 1. INTRODUCTION

At the AGM to be held at Boardroom 8, Lower Lobby, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 5 June 2014 at 2:30 p.m., the notice of which is contained in this circular, the following resolutions shall be proposed:

- (a) ordinary resolutions relating to re-election of retiring Directors;

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## LETTER FROM THE BOARD

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- (b) ordinary resolution relating to granting of the Repurchase Mandate;
- (c) ordinary resolutions relating to granting of the Share Issue Mandate;
- (d) ordinary resolution relating to the adoption of the New Share Option Scheme; and
- (e) ordinary resolution relating to the termination of the Existing Share Option Scheme.

The purpose of this circular is to provide you with further information to make an informed decision on whether to vote for or against the above proposed resolutions including the details of retiring Directors proposed to be re-elected at the AGM; the explanatory statement relating to Repurchase Mandate in compliance with the Listing Rules; the summary of the principal terms of the New Share Option Scheme; and the Notice of the AGM as set out in Appendices I to IV to this circular respectively.

### **2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

In accordance with bye-law 87 of the Bye-laws, Dr. Ma Ho Man, Hoffman and Mr. Choi Kin Pui, Russelle shall retire by rotation and, being eligible, will offer themselves for re-election at the AGM.

On 28 March 2014, the Nomination Committee nominated, and the Board recommended Dr. Ma and Mr. Choi to stand for re-election as Directors at the AGM. As a good corporate governance practice, both Dr. Ma and Mr. Choi abstained from voting on their nominations at the meeting of the Board.

The Nomination Committee has assessed and reviewed the individual Director's annual confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules on 17 December 2013, and affirmed that all independent non-executive Directors remained independent.

In compliance with the requirements of code provision E.1.1 of the Corporate Governance Code set out in Appendix 14 of the Listing Rules, a separate resolution will be proposed at the AGM for the re-election of each retiring Director.

Details of each of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.



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## **LETTER FROM THE BOARD**

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### **3. REPURCHASE MANDATE**

The existing general mandate to repurchase Shares granted to the Directors at the last annual general meeting of the Company held on 5 June 2013 will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution in respect of granting the Repurchase Mandate to the Directors will be proposed.

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,926,491,196 Shares. Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 492,649,119 Shares.

The Repurchase Mandate will, if granted, continue in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; and (iii) its revocation or variation by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement, as required under the Listing Rules, providing the requisite information regarding the Repurchase Mandate is set out in Appendix II to this circular.

### **4. SHARE ISSUE MANDATE**

The existing general mandate to allot, issue and deal with additional Shares granted to the Directors at the last annual general meeting of the Company held on 5 June 2013 will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution in respect of granting the Share Issue Mandate to the Directors will be proposed for the purpose of increasing the flexibility for raising capital so as to facilitate expansion plan of the Company when the Directors consider appropriate.

Subject to the passing of the proposed resolution for the approval of the Share Issue Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Share Issue Mandate to allot, issue and deal with additional Shares up to a maximum of 985,298,239 Shares.

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## LETTER FROM THE BOARD

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The Share Issue Mandate will, if granted, continue in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; and (iii) its revocation or variation by an ordinary resolution of the Shareholders in general meeting.

In addition, if the Repurchase Mandate is granted, an ordinary resolution will be proposed at the AGM providing that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Share Issue Mandate.

### **5. ADOPTION OF THE NEW SHARE OPTION SCHEME AND TERMINATION OF THE EXISTING SHARE OPTION SCHEME**

#### **Termination of the Existing Share Option Scheme**

The Company adopted the Existing Share Option Scheme on 20 August 2004 whereby the Directors had been authorised to invite, at their discretion, the eligible persons under the Existing Share Option Scheme to take up options to subscribe for Shares. The Existing Share Option Scheme will expire in August 2014 and therefore it is proposed that the New Share Option Scheme be adopted and the Existing Share Option Scheme be terminated at the AGM.

Since the date of the adoption of the Existing Share Option Scheme and as at the Latest Practicable Date, no options had been granted under the Existing Share Option Scheme. The Directors confirm that they will not grant any option to subscribe for Shares under the Existing Share Option Scheme on or immediately prior to the date of the AGM. Upon termination of the Existing Share Option Scheme, no further options would be offered under the Existing Share Option Scheme.

Other than the Existing Share Option Scheme, the Company did not maintain any other share option scheme as at the Latest Practicable Date. At the AGM, an ordinary resolution will be proposed for the Shareholders to approve the termination of the Existing Share Option Scheme.

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## LETTER FROM THE BOARD

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### Adoption of the New Share Option Scheme

The Directors propose to adopt the New Share Option Scheme to replace the Existing Share Option Scheme which is going to expire in August 2014. Save for necessary modifications and/or amendments made pursuant to the Listing Rules and certain housekeeping amendments, there will be no material difference between the terms of the Existing Share Option Scheme and the proposed New Share Option Scheme. A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular.

Subject to the approval of the adoption of the New Share Option Scheme by the Shareholders at the AGM, the New Share Option Scheme shall take effect upon the Listing Committee granting approval for the listing of, and permission to deal in, the Shares falling to be issued pursuant to the exercise of the Options to be granted under the New Share Option Scheme.

If the approval of the Listing Committee cannot be obtained within two calendar months after the approval of the adoption of the New Share Option Scheme by the Shareholders at the AGM (or any adjournment thereof), (i) the New Share Option Scheme shall forthwith determine; (ii) any Option granted or agreed to be granted under the New Share Option Scheme and any offer of such grant shall be of no force and effect; and (iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the New Share Option Scheme or any Option.

The purposes of the New Share Option Scheme are:

- (a) to enable the Group and any Invested Entity to recruit and retain high calibre employees and attract human resources that are valuable to the Group or any Invested Entity;
- (b) to recognise the significant contributions of the Eligible Persons to the growth of the Group or any Invested Entity by rewarding them with opportunities to obtain ownership interest in the Company; and
- (c) to further motivate and give incentives to the Eligible Persons to continue to contribute to the long term success and prosperity of the Group or any Invested Entity.

The Directors consider that the New Share Option Scheme will provide the Grantees with the opportunity to acquire proprietary interests in the Company and will encourage the Grantees to work towards enhancing the value of the Group and the Shares for the benefits of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the Company had 4,926,491,196 Shares in issue. Assuming no further Shares will be allotted, issued or repurchased prior to the date of the AGM, the total number of Shares which may fall to be issued upon exercise of all options which may be granted under the New Share Option Scheme and any other share option scheme(s) of the Company would be 492,649,119 Shares, representing approximately 10% of the total number of Shares in issue as at the date of the adoption of the New Share Option Scheme.

The New Share Option Scheme does not specify a minimum period for which an Option must be held nor a performance target which must be achieved before an Option can be exercised. However, the terms of the New Share Option Scheme provide that the Board may determine, at its absolute discretion, such terms and conditions on the grant of an Option. The basis for the determination of the Exercise Price is specified in the terms of the New Share Option Scheme. The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted on the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables such as the Exercise Price, exercise period, interest rate, expected volatility and other relevant variables cannot be available for calculating the value of the Options. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions will not be meaningful and will be misleading to the Shareholders in the circumstances.

None of the Directors is a trustee of the New Share Option Scheme or has any direct or indirect interest in the trustee of the New Share Option Scheme, if any.

An application will be made to the Listing Committee for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued upon exercise of the Options which may be granted under the New Share Option Scheme.

A copy of the New Share Option Scheme is available for inspection at Suite 1601-2 & 8-10, 16/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong during normal business hours from the date of this circular and up to and including the date of the AGM. A copy of the New Share Option Scheme will also be available for inspection at the AGM.

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## LETTER FROM THE BOARD

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### 6. AGM

The Notice of the AGM is set out in Appendix IV to this circular. At the AGM, in addition to the ordinary business, resolutions will be proposed to approve the respective proposals as set out above.

Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing the proxy shall be deemed to have been revoked.

Pursuant to Rule 13.39(4) of the Listing Rules and bye-law 66 of the Bye-laws, all resolutions to be put to the vote at the AGM shall be decided by way of a poll.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, no Shareholders is required to abstain from voting on any resolutions to be approved at the AGM pursuant to the Listing Rules and/or the Bye-laws.

### 7. 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.

### 8. RECOMMENDATION

The Directors consider that the proposals regarding the re-election of the retiring Directors, the Repurchase Mandate, the Share Issue Mandate, the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme are in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully  
For and on behalf of the Board of  
**SUCCESS UNIVERSE GROUP LIMITED**  
**Yeung Hoi Sing, Sonny**  
*Chairman*

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## APPENDIX I      DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

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

**Dr. Ma Ho Man, Hoffman**, aged 41, joined the Group in 2005. He is an executive Director and the Deputy Chairman of the Company as well as a director of the subsidiaries of the Company. Dr. Ma is also a member of the Executive Committee. He is responsible for implementing the Company's strategies regarding the business development of the Group as well as managing the Group's business and operations. Dr. Ma joined Success Securities, which is beneficially wholly-owned by Mr. Yeung, in 2000. He has been a director of Success Securities since November 2008 and is responsible for overseeing its marketing affairs. Dr. Ma is currently an executive director and the chairman of See Corporation Limited, a company whose issued shares are listed on the Main Board of the Stock Exchange. He is presently a member of the Chongqing Committee of the Chinese People's Political Consultative Conference. Dr. Ma has over 17 years of experience in the financial industry and years of managerial experience. He was awarded Fellowship by Canadian Chartered Institute of Business Administration and Honorary Doctorate of Management by Lincoln University in 2009 and 2010 respectively. Dr. Ma is the nephew of Mr. Yeung.

Dr. Ma has entered into a service contract with the Company without specific term of office, however, he is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws. Dr. Ma is entitled to a monthly salary of HK\$50,648, a discretionary bonus, mandatory provident fund and other benefits in kind, which are medical, business travel and employees' compensation insurances. Save as disclosed above, he is not entitled to any other forms of benefits. The remuneration package entitled by Dr. Ma is determined by the Remuneration Committee with reference to his responsibilities and time commitment in the Group as well as prevailing market conditions.

As at the Latest Practicable Date, Dr. Ma did not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, Dr. Ma neither held any directorship in other public companies the securities of which were listed on any securities market in Hong Kong or overseas in the last three years nor had any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is neither other information which is required to be disclosed pursuant to the requirements of Rules 13.51(2) of the Listing Rules nor other matters that need to be brought to the attention of the Shareholders.

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## APPENDIX I      DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

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**Mr. Choi Kin Pui, Russelle**, aged 59, joined the Group in 2003. He is a non-executive Director as well as a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Choi graduated from St. Pius X High School in 1976. He has over 20 years of management experience in the telecommunication industry in Hong Kong and the United States of America (the “US”). Mr. Choi established Elephant Talk Limited in 1994, a wholly-owned subsidiary of Elephant Talk Communications Inc. (“ETCI”). ETCI was an American corporation whose securities were quoted on the Over-The-Counter Bulletin Board in the US and engaged in the provision of telecommunications services in Hong Kong and the US. Mr. Choi was a director of ETCI from 2002 to 2008 as well as the president and the chief executive officer of ETCI from 2002 to 2006 and was responsible for the planning of the overall strategy of ETCI. He also served as the chairman of ET Network Services Limited, a Hong Kong company engaged in the provision of internet access and outsourcing services in the People’s Republic of China and Hong Kong.

Mr. Choi has entered into a service contract with the Company for a term of one year and he receives a director’s fee of HK\$120,000 per annum under the service contract. His remuneration is determined by the Board with reference to his responsibilities and prevailing market conditions.

Save for being a non-executive Director, as at the Latest Practicable Date, Mr. Choi neither held any directorship in other public companies the securities of which were listed on any securities market in Hong Kong or overseas in the last three years nor had any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. In addition, he did not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is neither other information which is required to be disclosed pursuant to the requirements of Rules 13.51(2) of the Listing Rules nor other matters that need to be brought to the attention of the Shareholders.

*This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide you with all the information necessary for your consideration of the Repurchase Mandate.*

**1. LISTING RULES RELATING TO THE REPURCHASES OF SECURITIES**

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions. The Company is empowered by its memorandum of association and the Bye-laws to repurchase its own securities.

**2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,926,491,196 Shares. Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 492,649,119 Shares.

**3. REASONS FOR REPURCHASES**

The Directors believe that it may be to the benefit of the Company and its Shareholders for the Company to repurchase its Shares in certain circumstances. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value and/or earnings per Share. Therefore, the Directors are seeking the grant of a general mandate to repurchase Shares to give the Company the flexibility to do so if and when appropriate.

**4. FUNDING OF REPURCHASES**

Repurchases must be funded out of funds which are legally available for such purpose in accordance with the Company's constitution documents and the applicable laws of Bermuda, being capital paid up on the purchased Shares; or out of the funds of the Company otherwise available for dividend or distribution; or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account. It is envisaged that the funds required for any repurchase would be derived from such sources.



The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse impact on the working capital or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company. There might be a material adverse impact on the working capital or the gearing position of the Company as compared with the position disclosed in its most recent published audited financial statements for the year ended 31 December 2013 in the event that the Repurchase Mandate is exercised in full.

#### 5. CONNECTED PARTIES

No connected persons have notified the Company of any present intention to sell Shares to the Company and no such persons have undertaken not to sell any such Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

#### 6. SHARE PRICE

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2013</b>		
April	0.198	0.163
May	0.190	0.161
June	0.190	0.160
July	0.178	0.160
August	0.245	0.166
September	0.650	0.197
October	0.600	0.395
November	0.470	0.375
December	0.620	0.380
<b>2014</b>		
January	0.530	0.415
February	0.465	0.410
March	0.445	0.360

**7. SHARE REPURCHASE MADE BY THE COMPANY**

No purchases have been made by the Company of its Shares in the six months prior to the Latest Practicable Date.

**8. UNDERTAKING**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda, the memorandum of association of the Company and the Bye-laws.

**9. EFFECT OF THE TAKEOVERS CODE**

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Silver Rich held 2,466,557,462 Shares, representing approximately 50.07% of the entire issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, provided that the present shareholding held by Silver Rich remains unchanged, the attributable shareholding of Silver Rich will be increased to approximately 55.63%. The Directors are not aware of any consequences of any repurchases of Shares pursuant to the Repurchase Mandate that would result in the Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. In any event, the Repurchase Mandate will be exercised only if the number of Shares held by the public would not fall below 25%.

**THE NEW SHARE OPTION SCHEME**

The following is a summary of the principal terms of the New Share Option Scheme:

**1. Purposes**

The purposes of the New Share Option Scheme are:

- (i) to enable the Group and any Invested Entity to recruit and retain high calibre employees and attract human resources that are valuable to the Group or any Invested Entity;
- (ii) to recognize the significant contributions of the Eligible Persons to the growth of the Group or any Invested Entity by rewarding them with opportunities to obtain ownership interest in the Company; and
- (iii) to further motivate and give incentives to the Eligible Persons to continue to contribute to the long term success and prosperity of the Group or any Invested Entity.

**2. Who may join**

The Board may invite any person belonging to any of the following classes as the Board may in its absolute discretion select, having regard to each person's qualifications, skills, background, experience, service records and/or contribution or potential value to the relevant member(s) of the Group or any Invested Entity, to take up the Options to subscribe for Shares at a price calculated in accordance with paragraph (3) below:

- (i) any employee (whether full time or part time and including executive director) of any member(s) of the Group or any Invested Entity;
- (ii) any non-executive director (including independent non-executive director) of any member of the Group or any Invested Entity;
- (iii) any consultant, adviser or agent (legal, financial or professional) engaged by any member of the Group or any Invested Entity, who, under the terms of relevant engagement with the Group or the relevant Invested Entity, is eligible to participate in a share option scheme of the Company; and

- (iv) any vendor, supplier of goods or services or customer of or to any member of the Group or any Invested Entity who, under the terms of relevant agreement with the Group or the relevant Invested Entity, is eligible to participate in a share option scheme of the Company.

### **3. Exercise Price and acceptance period**

The Exercise Price under the New Share Option Scheme shall be a price determined by the Board in its absolute discretion but in any event shall not be less than the highest of:

- (i) the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the Offer Date;
- (ii) the average closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five (5) Business Days immediately preceding the Offer Date; and
- (iii) the nominal value of a Share.

Unless provided otherwise in the Listing Rules, the date of the Board meeting at which the Board proposes to grant the proposed Options under paragraphs (5)(ii) and (6)(ii) below to the Eligible Person shall be taken as the Offer Date for the purpose of calculating the Exercise Price.

The Eligible Person must accept any such offer of the grant of Options notified to him or her within twenty-eight (28) days after the Offer Date, failing which it shall be deemed to have been rejected. Upon acceptance of the offer of the grant of Options, the Grantee shall pay HK\$1.00 to the Company as consideration for the grant of Options.

### **4. Maximum number of Shares available for subscription**

- (i) Unless further approval has been obtained pursuant to sub-paragraphs (ii) and/or (iii) below and subject to sub-paragraphs (iv) and (v) below, the maximum number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other scheme(s) of the Company must not in aggregate exceed ten per cent. (10%) of the Shares in issue (the “Scheme Limit”) on the date of the adoption of the New Share Option Scheme by the Company (the “Adoption Date”). Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Limit.

- (ii) Subject to sub-paragraph (iv) below, the issue of a circular by the Company which complies with Note (1) to Rule 17.03(3) and Rule 17.06 of the Listing Rules and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Scheme Limit may be refreshed such that the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other scheme(s) of the Company shall not exceed ten per cent. (10%) of the Shares in issue (“New Scheme Limit”) as at the date of such Shareholders’ approval. Options previously granted under the New Share Option Scheme and the other scheme(s) of the Company (including those outstanding, cancelled, lapsed in accordance with the respective provisions of the scheme(s) of the Company or exercised options) will not be counted for the purpose of calculating the New Scheme Limit.
  
- (iii) Subject to sub-paragraph (iv) below, the issue of a circular by the Company to the Shareholders and the approval of the Shareholders in general meeting in compliance with Rules 17.03(3) and 17.06 of the Listing Rules and/or such other requirements prescribed under the Listing Rules from time to time, the Board may grant Options exceeding the Scheme Limit to an Eligible Person specifically identified by the Board before such Shareholders’ approval is sought. The Company must send a circular containing the information required under Note 1 to Rule 17.03(3) of the Listing Rules to the Shareholders in connection with such grant.
  
- (iv) The Scheme Limit and any increase in the Scheme Limit pursuant to sub-paragraphs (ii) and/or (iii) above shall in no event result in the number of the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and all other scheme(s) of the Company exceed thirty per cent. (30%) of the Shares in issue from time to time. No options may be granted under the New Share Option Scheme and any other scheme(s) of the Company if such limit is exceeded.
  
- (v) The Scheme Limit referred to in sub-paragraph (i) above (or as increased in accordance with sub-paragraphs (ii) and/or (iii) above, as the case may be) shall be adjusted, in such manner as the auditors of the Company or the approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company whether by way of sub-division or consolidation of Shares but in any event shall not exceed the limit prescribed in sub-paragraph (iv) above.

**5. Maximum entitlement of each Eligible Person**

- (i) Unless the approval of the Shareholders contemplated under sub-paragraph (ii) below is obtained, the maximum number of Shares in respect of which Options may be granted under the New Share Option Scheme to any Eligible Person shall not, when aggregated with:
- (a) any Shares issued upon exercise of Options or options under the other scheme(s) of the Company which have been granted to that Eligible Person;
  - (b) any Shares which would be issued upon the exercise of outstanding Options or options under the other scheme(s) of the Company granted to that Eligible Person; and
  - (c) any Shares that have been cancelled and were the subject of Options or options under the other scheme(s) of the Company which had been granted to and accepted by that Eligible Person,

in any 12-month period up to and including the Offer Date, exceed one per cent. (1%) of the number of Shares in issue on the Offer Date.

- (ii) If the Board determines to offer Options to an Eligible Person which exceed the limit set out in sub-paragraph (i) above, that grant shall be subject to (1) the issue of a circular by the Company to the Shareholders which shall comply with Rules 17.03(4) and 17.06 of the Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time; and (2) the approval of the Shareholders in general meeting at which that Eligible Person and his or her associates shall abstain from voting.

**6. Grant of Options to connected persons**

- (i) Subject to sub-paragraph (ii) below, if the Board determines to offer to grant Options to a Director, chief executive or substantial shareholder of the Company or any of his or her associates, such grant shall be subject to the approval by the independent non-executive Directors (excluding the independent non-executive Director who is the relevant Eligible Person).

- (ii) If the Board determines to offer to grant Options to a substantial shareholder of the Company or an independent non-executive Director (or any of his or her associates) and that grant would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person under the New Share Option Scheme and the other scheme(s) of the Company in the 12-month period up to and including the Offer Date:
- (a) representing in aggregate over 0.1 per cent. (0.1%) of the Shares in issue on the Offer Date; and
  - (b) having an aggregate value, based on the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the Offer Date, in excess of HK\$5 million,

such grant shall be subject to the issue of a circular by the Company to the Shareholders and the approval of the Shareholders in general meeting at which all connected persons of the Company shall abstain from voting except that a connected person of the Company may vote against the relevant resolution at the general meeting provided that his or her intention to do so has been stated in that circular which shall comply with Rules 17.04 and 17.06 of the Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time.

#### **7. Exercise period and performance target**

Subject to paragraphs (9), (10), (11) and (12) below and unless otherwise determined by the Board and notified to the Grantee on or prior to the Offer Date, an Option may be exercised in whole or in part in accordance with the terms of the New Share Option Scheme at any time during an option period determined by the Board but in any event not exceeding 10 years after it has been granted or deemed to be granted and accepted by the Grantee, subject to any restrictions or conditions on the exercise of the Options as the Board may determine (the "Option Period").

There is no provision in the New Share Option Scheme to require a Grantee to fulfill any performance target or to hold the Option for a certain period before exercising the Option, but the Board may in its absolute discretion from time to time provide such requirements in the offer of grant of Options.

**8. Non-transferability**

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option or attempt to do so (save that the Grantee may nominate a nominee in whose name the Shares issued pursuant to the New Share Option Scheme may be registered). Any breach of the foregoing shall entitle the Company to cancel any outstanding Options or any part thereof granted to such Grantee, whereupon the Option outstanding or part thereof shall be deemed to have lapsed.

**9. Rights on ceasing to be an Eligible Person or on ill-health, injury or disability or death**

- (i) Where the Grantee ceases to be an Eligible Person for any reason other than his or her ill-health, injury or disability (all evidenced to the satisfaction of the Board) or death or termination of his or her employment or engagement or cessation of his or her directorship on one or more of the grounds specified in paragraph (16)(v) below, the Grantee may exercise the Option up to his or her entitlement at the date of cessation of his or her employment or engagement or directorship (to the extent not already exercised) on or before the earlier of (i) the expiry of a period of six (6) months following the date of such cessation, which date shall be the last actual working day with or for the Group or the relevant Invested Entity whether salary or compensation is paid in lieu of notice or not (or such longer period as the Board may determine) and (ii) the relevant date of expiry of the Option as may be determined by the Board which shall not be later than the last day of the Option Period (“Expiry Date”), and the Board’s decision in this regard shall be final, conclusive and binding.
- (ii) Where the Grantee ceases to be an Eligible Person by reason of ill-health, injury or disability (all evidenced to the satisfaction of the Board) or death and none of the events which would be a ground for termination of his or her employment or engagement or cessation of his or her directorship under paragraph (16)(v) below has occurred, the Grantee or the legal personal representative(s) of the Grantee, as the case may be, shall be entitled to exercise the Option in full (to the extent not already exercised) on or before the earlier of (i) the last day in the 12-month period commencing from the date of ceasing to be an Eligible Person or death (or such longer period as the Board may determine) or (ii) the relevant Expiry Date.



**10. General offer**

If a general offer (whether by way of take-over offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror), the Company shall use its reasonable endeavors to procure that such offer is extended to all Grantees (on the same terms, mutatis mutandis, and assuming that they shall become, by the exercise in full of the Options granted to them, Shareholders). If such offer having been approved in accordance with applicable laws and regulatory requirements becomes or is declared unconditional prior to the Expiry Date of the relevant Option, the Grantee (or his or her legal personal representative(s)) shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within fourteen (14) days after the date on which such general offer becomes, or is declared unconditional, provided that if, during such period, such person becomes entitled to exercise rights of compulsory acquisition of Shares pursuant to the Companies Act and gives notices in writing to any holder of Shares that he or she intends to exercise such rights, Options (to the extent not already exercised) shall be and remain exercisable until one (1) month from the date of such notice and, to the extent that they have not been exercised, shall thereupon lapse and determine.

**11. Winding-up**

In the event a notice is given by the Company to the Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution for the voluntary winding-up of the Company, the Company shall forthwith give notice thereof to the Grantee and the Grantee (or his or her legal personal representative(s)) may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given (such notice to be received by the Company not later than five (5) Business Days prior to the proposed Shareholders' meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice and the Company shall as soon as possible and in any event no later than two (2) Business Days immediately prior to the date of the proposed Shareholders' meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise.

**12. Compromise or arrangement with members or creditors**

If, pursuant to the Companies Act, a compromise or arrangement between the Company and its members and/or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all the Grantees (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to members and/or creditors of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each Grantee shall be entitled to exercise all or any of his or her Options in whole or in part at any time prior to 12:00 noon (Hong Kong time) on the Business Day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all Grantees to exercise their respective Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavour to procure that the Shares issued as a result of the exercise of Options under this paragraph shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the Grantees to exercise their respective Options shall with effect from the date of the making of the order by the relevant court be restored in full but only to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the New Share Option Scheme) (provided that the Option Period shall accordingly be extended by the length of the period of suspension) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Grantee as a result of the aforesaid suspension.

**13. Adjustment**

- (i) In the event of any capitalisation issue, rights issue, sub-division or consolidation of Shares or reduction of capital of the Company, such corresponding alterations (if any) shall be made (except on an issue of securities of the Company as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in:
  - (a) the number of Shares subject to any outstanding Options; and/or
  - (b) the Exercise Price,

as the auditors of the Company or the approved independent financial adviser shall at the request of the Company or any Grantee, certify in writing either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that:

- (a) a Grantee shall have the same proportion of the equity capital of the Company as that to which he or she was entitled to subscribe had he or she exercised all the Options held by him or her immediately before such adjustments; and
- (b) the aggregate Exercise Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event,

and provided further that no such alterations shall be made if the effect of such alterations would be to enable a Share to be issued at less than its nominal value.

- (ii) In respect of any adjustments required by sub-paragraph (i) above, other than any adjustments made on a capitalisation issue, the auditors of the Company or the approved independent financial adviser, as the case may be, shall confirm to the Board in writing that the adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto and/or such other requirement prescribed under the Listing Rules from time to time.

#### **14. Alteration of the New Share Option Scheme**

The terms and conditions of the New Share Option Scheme and the regulations for the administration and operation of the New Share Option Scheme (provided that the same are not inconsistent with the Listing Rules) may be altered in any respect by resolution of the Board except that:

- (i) any alteration to the advantage of the Grantees or the Eligible Persons (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules, including without limitation, the definitions of “Eligible Person”, “Expiry Date”, “Grantee” and “Option Period” in paragraph 1.1 of the New Share Option Scheme and the provisions in all paragraphs in this appendix; or

- (ii) any material alteration to the terms and conditions of the New Share Option Scheme or any change to the terms of Options granted (except any alterations which take effect automatically under the terms of the New Share Option Scheme),

must be made with the prior approval of the Shareholders in general meeting at which any persons to whom or for whose benefit the Shares may be issued under the New Share Option Scheme and their respective associates shall abstain from voting provided that the amended terms of the New Share Option Scheme or the Options shall remain in compliance with Chapter 17 of the Listing Rules.

#### **15. Ranking of the Shares**

The Shares to be allotted and issued upon the exercise of an Option shall not carry voting rights until completion of the registration of the Grantee (or such other person nominated by the Grantee) as the holder thereof. Subject as aforesaid, the Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the constitutional documents of the Company for the time being in force and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to the fully-paid Shares in issue on the date of allotment, in particular but without prejudice to the generality of the foregoing, in respect of voting, transfer and other rights including those arising on a liquidation of the Company and rights in respect of any dividend or other distributions paid or made on or after the date of issue.

#### **16. Lapse of Option**

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the Expiry Date relevant to that Option;
- (ii) the expiry of any of the periods referred to in paragraphs (9) or (10) above;
- (iii) the date of commencement of the winding-up of the Company (as determined in accordance with the applicable law);
- (iv) the date on which the scheme for the reconstruction of the Company or its amalgamation with any other company or companies, becomes effective as referred to in paragraph (12) above;

- (v) the date on which the Grantee ceases to be an Eligible Person by reason of the termination of his or her employment or engagement or cessation of his or her directorship on any one or more of the grounds that he or she has been guilty of misconduct, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his or her employment or engagement at common law or pursuant to any applicable laws or under the Grantee's service or engagement contract with the relevant member of the Group or the relevant Invested Entity. A resolution of the Board or the board of directors of the relevant subsidiary of the Company or the relevant Invested Entity to the effect that the employment or engagement of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph shall be final, conclusive and binding;
- (vi) the date on which the Grantee ceases to be an Eligible Person on or after committing any act of bankruptcy or becoming insolvent or making any arrangements or composition with his/her creditors generally;
- (vii) where the Grantee commits a breach of paragraph (8) above or the Options are cancelled in accordance with paragraph (18) below, the date on which the Board shall exercise the Company's right to cancel the Option thereunder; and
- (viii) in case of a Grantee who is a vendor, supplier of goods and services or customer of or to any member of the Group or the relevant Invested Entity, in accordance with the terms of the relevant engagement or agreements between such persons and the relevant member of the Group or the relevant Invested Entity (as the case may be).

**17. Term of the New Share Option Scheme**

The New Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from and on the Adoption Date (subject to early termination in accordance with paragraph (19) below), after which period no further Options shall be granted but the Options which are granted during the life of the New Share Option Scheme may continue to be exercisable in accordance with their terms of issue and the provisions of the New Share Option Scheme shall in all other respects remain in full force and effect in respect thereof.

**18. Cancellation of Options**

Any cancellation of Options granted but not exercised must be approved by the Grantees of the relevant Options. Where the Company cancels Options and grants new ones to the same Eligible Person, the grant of such new Options may only be made under the New Share Option Scheme with available unissued Options (excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in paragraph (4) above.

**19. Early Termination**

The Company may by ordinary resolution in general meeting or the Board may at any time resolve to terminate the operation of the New Share Option Scheme and in such event, no further Options shall be offered but the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Option granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme and the Options granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

**SUCCESS****SUCCESS UNIVERSE GROUP LIMITED****實德環球有限公司***(Incorporated in Bermuda with limited liability)***(Stock Code: 00487)****NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “Meeting”) of Success Universe Group Limited (the “Company”) will be held at Boardroom 8, Lower Lobby, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Thursday, 5 June 2014 at 2:30 p.m. for the following purposes:

1. To receive and consider the Audited Financial Statements for the year ended 31 December 2013 together with the Report of Directors and the Independent Auditors’ Report thereon.
2. (A) To re-elect Dr. Ma Ho Man, Hoffman as director of the Company (“Director(s)”);  
(B) To re-elect Mr. Choi Kin Pui, Russelle as Director; and  
(C) To authorise the board of Directors (the “Board”) to fix the Directors’ remuneration.
3. To re-appoint HLB Hodgson Impey Cheng Limited as auditors of the Company and to authorise the Board to fix their remuneration.

4. To consider as special business and, if thought fit, pass the following resolutions as ordinary resolutions:

**ORDINARY RESOLUTIONS**

- (A) “**THAT** the directors of the Company be and are hereby granted an unconditional general mandate to repurchase issued shares in the capital of the Company in accordance with all applicable laws and subject to the following conditions:
- (a) such mandate shall not extend beyond the Relevant Period (as defined in sub-paragraph (c) below);
  - (b) the aggregate nominal amount of shares of the Company to be purchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to this resolution shall not exceed 10 per cent. of the aggregate nominal amount of the shares of the Company in issue at the date of passing of this resolution; and
  - (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
    - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders in general meeting.”



- (B) “**THAT** the directors of the Company be and are hereby granted an unconditional general mandate to allot, issue and deal with additional shares in the capital of the Company or securities convertible into shares, and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:
- (a) such mandate shall not extend beyond the Relevant Period (as defined in sub-paragraph (c) below) save that the directors of the Company may during the Relevant Period make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
  - (b) the aggregate nominal amount of the shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company, otherwise than pursuant to a Rights Issue (as defined in sub-paragraph (c) below), or pursuant to an exercise of subscription rights under any share option scheme adopted by the Company for the grant or issue to the grantees as specified in such scheme of options to subscribe for or rights to acquire shares of the Company, or pursuant to any scrip dividend or other similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company or with the consent of the Company in general meeting, shall not exceed 20 per cent. of the aggregate nominal amount of the shares of the Company in issue at the date of passing of this resolution; and
  - (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
    - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders in general meeting.

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

(C) “**THAT** the general mandate granted to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company pursuant to Ordinary Resolution 4(B) set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares purchased by the Company under the authority granted pursuant to Ordinary Resolution 4(A) set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

5. To consider as special business and, if thought fit, pass the following resolutions as ordinary resolutions:

#### ORDINARY RESOLUTIONS

- (A) “**THAT**
- (i) conditional upon The Stock Exchange of Hong Kong Limited granting approval of the listing of, and permission to deal in, the shares of the Company (“Shares”) falling to be issued pursuant to the exercise of any options granted under the share option scheme (the “New Share Option Scheme”) as referred to in the circular of the Company dated 30 April 2014 despatched to the shareholders of the Company containing the notice convening this meeting, the terms of which are set out in the document marked “A” produced to this meeting and, for purpose of identification, signed by the Chairman of this meeting, the terms of the New Share Option Scheme be and are hereby approved and adopted and that the directors of the Company be and are hereby authorised to grant the options thereunder and to allot and issue Shares pursuant to the exercise of any options granted thereunder and take all such steps as they may consider necessary or desirable to implement the New Share Option Scheme; and

- (ii) the aggregate nominal amount of share capital to be allotted and issued pursuant to sub-paragraph (i) above, together with any issue of Shares upon exercise of any options granted under any other share option scheme(s) of the Company as may from time to time be adopted by the Company, shall not exceed 10 per cent. of the Shares in issue as at the date of passing of this resolution.”
- (B) “**THAT** with effect from the date of the New Share Option Scheme (as defined in the Ordinary Resolution 5(A) set out in the notice convening this meeting) becoming unconditional and coming into effect, the existing share option scheme (the “Existing Share Option Scheme”) adopted by the Company pursuant to a resolution passed by the then shareholder of the Company on 20 August 2004 be cancelled and terminated and shall cease to have any further effect save and except that the Existing Share Option Scheme will remain in force to the extent necessary to give effect to the exercise of the options granted thereunder prior to the termination thereof.”

By Order of the Board of  
**SUCCESS UNIVERSE GROUP LIMITED**  
**Chiu Nam Ying, Agnes**  
*Company Secretary*

Hong Kong, 30 April 2014

*Notes:*

1. Any shareholder of the Company (“Member”) entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares of the Company (“Share(s)”) may appoint more than one proxy to attend and vote on his behalf at the Meeting. A proxy need not be a Member but must attend the Meeting in person to represent the Member.
2. Where there are joint holders of any Share, any one of such joint holder may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
3. To be valid, the instrument appointing a proxy, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited at the office of the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
4. Completion and deposit of an instrument appointing a proxy will not preclude a Member from attending and voting in person at the Meeting or any adjournment thereof if the Member so wishes and in such event, the instrument appointing a proxy shall be deemed to have been revoked.
5. Details of the retiring Directors proposed to be re-elected at the Meeting, an explanatory statement relating to Repurchase Mandate and a summary of the principal terms of the New Share Option Scheme will be despatched to the Members together with this notice.