
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 **OPES ASIA DEVELOPMENT LIMITED**, you should at once hand this circular and the accompanying proxy form 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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**OPES ASIA DEVELOPMENT LIMITED**
華保亞洲發展有限公司*

(Continued into Bermuda with limited liability)

(Stock Code: 810)

**RENEWAL OF GENERAL MANDATE TO ISSUE SHARES AND
TO REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
ADOPTION OF NEW SHARE OPTION SCHEME,
AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Opes Asia Development Limited to be held at Room 1, United Conference Centre Ltd., 10/F., United Centre, 95 Queensway, Hong Kong on Tuesday, 31 July 2012, at 10:00 a.m. is set out on pages 37 to 42 of this circular. Whether or not you propose to attend the meeting in person, 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 Opes Asia Development Limited in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. The completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

Hong Kong, 29 June 2012

* For identification purpose only

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DEFINITIONS

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

“AGM Notice”	the notice convening the Annual General Meeting as set out on pages 37 to 42 of this circular
“Annual General Meeting”	the annual general meeting of the Company to be held at Room 1, United Conference Centre Ltd., 10/F., United Centre, 95 Queensway, Hong Kong on Tuesday, 31 July 2012, at 10:00 a.m., for the purpose of considering and if thought fit, approving the resolutions proposed in this circular, or any adjournment thereof
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company as amended from time to time
“Company”	Opes Asia Development Limited, a company continued into Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“Companies Act”	the Companies Act 1981 of Bermuda, as amended, supplemented or otherwise from time to time
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Bye-Laws”	the existing bye-laws of the Company
“Existing Share Option Scheme”	the existing share option scheme of the Company adopted on 8 February 2002

DEFINITIONS

“General Mandate”	a general and unconditional mandate to be granted to the Directors to allot, issue, and otherwise deal with new Shares and other securities with an aggregate nominal amount not exceeding the sum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolutions, and the aggregate nominal value of the share capital of the Company repurchased by the Company (if any)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	27 June 2012, 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 Bye-Laws”	the amended and restated bye-laws of the Company which consolidates all of the amendments as set out in Appendix IV to this circular, proposed to be adopted in substitution for and to the exclusion of the Existing Bye-Laws
“PRC”	the People’s Republic of China, and for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Repurchase Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to repurchase Shares in the capital of the Company up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolutions

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



OPES ASIA DEVELOPMENT LIMITED 華保亞洲發展有限公司*

(Continued into Bermuda with limited liability)

(Stock Code: 810)

Executive Directors:

Mr. Yang Yongdong
Mr. Chu Wai Lim
Ms. Fong Son Wa

Non-executive Director:

Mr. Wang Shiyan

Independent Non-executive Directors:

Professor Chen Yamin
Mr. Chan Yuk Sang
Mr. Ku Siu Fun, Alex

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

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

Unit 3102-05, 31st Floor
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road
Central
Hong Kong

29 June 2012

To the Shareholders,

Dear Sir or Madam,

**RENEWAL OF GENERAL MANDATE TO ISSUE SHARES AND
TO REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
ADOPTION OF NEW SHARE OPTION SCHEME,
AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting for (i) the renewal of the General Mandate and the Repurchase Mandate; (ii) the extension of the General Mandate to include Shares repurchased pursuant to the Repurchase Mandate; (iii) the re-election of retiring Directors; (iv) the adoption of the New Share Option Scheme; and (v) the proposed amendments to the Existing Bye-Laws and adoption of the New Bye-Laws.

* For identification purpose only

LETTER FROM THE BOARD

RENEWAL OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on 29 June 2011, resolutions were passed by the Shareholders giving general mandates to the Directors (i) to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of the relevant resolutions and (ii) to repurchase shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued shares capital of the Company as at the date of passing of the relevant resolutions. Resolutions were also passed to extend the number of Shares to be issued and allotted under (i) above by an additional number representing such number of Shares repurchased under (ii) above. All of these general mandates will expire at the conclusion of the forthcoming Annual General Meeting.

At the Annual General Meeting, separate ordinary resolutions will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing the resolution. The General Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Bye-Laws or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company;
- (b) to grant the Repurchase Mandate to the Directors to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this circular. Under such Repurchase Mandate, the maximum number of Shares that the Company may be repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution. As at the Latest Practicable Date, the number of Shares in issue was 299,300,000 Shares. Subject to the passing of the proposed ordinary resolution approving the granting of the Repurchase Mandate and no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 29,930,000 Shares, being 10% of the entire issued share capital of the Company as at the date of passing of the resolution in relation thereof. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Bye-Laws or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company; and

LETTER FROM THE BOARD

- (c) subject to the passing of the aforesaid ordinary resolutions of the General Mandate and the Repurchase Mandate, to extend the number of Shares to be issued and allotted under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution to renew the grant of the Repurchase Mandate at the Annual General Meeting.

RE-ELECTION OF DIRECTORS

In accordance with bye-law 99 of the Bye-Laws, Ms. Fong Son Wa, Mr. Wang Shiyan and Professor Chen Yamin will retire at the Annual General Meeting and, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

At the Annual General Meeting, ordinary resolutions will be proposed to re-elect Ms. Fong Son Wa as executive Director, Mr. Wang Shiyan as non-executive Director and Professor Chen Yamin as independent non-executive Director. The biographical details of such Directors proposed to be re-elected as required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

ADOPTION OF NEW SHARE OPTION SCHEME

The Existing Share Option scheme was adopted by the Company on 8 February 2002 for a term of 10 years and was expired on 7 February 2012. Pursuant to the Existing Share Option scheme, the Directors were authorised to grant to eligible participants options to subscribe for Shares. As at the Latest Practicable Date, there were a total of 135,881,723 options granted and outstanding under the Existing Share Option scheme, of which the holders were entitled to subscribe for a total of 17,887,724 Shares (as adjusted after (i) the completion of the open offer of the Company as disclosed in the Company's announcement dated 17 June 2011; and (ii) the completion of the share consolidation of the Company as disclosed in the Company's announcement dated 30 November 2011). As the Existing Share Option Scheme has already been expired and in order to enable the continuity of the share option scheme of the Company, the Directors wish to take the opportunity of the Annual General Meeting to seek Shareholders' approval for the adoption of a new share option scheme (the "**New Share Option Scheme**").

LETTER FROM THE BOARD

Upon the expiration of the Existing Share Option Scheme, no further options shall be offered under the Existing Share Option Scheme, but in all other respects the provisions of the Existing Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of options granted prior to its expiration or otherwise as may be required in accordance with the provisions of the Existing Share Option Scheme and all options granted prior to such expiration and not exercised at the date of expiration shall remain valid.

As at the Latest Practicable Date, the Company had 299,300,000 Shares in issue. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of the adoption of the New Share Option Scheme, the scheme limit for the New Share Option Scheme will be 29,930,000 Shares, representing 10% of the issued share capital of the Company as at the date of the adoption of the New Share Option Scheme, under Rule 17.03(3) of the Listing Rules, should the New Share Option Scheme be adopted.

None of the Directors will be a trustee of the New Share Option Scheme nor will have any direct or indirect interest in the trustees.

None of the Shareholders is required to abstain from voting on this resolution in relation to the adoption of the New Share Option Scheme.

The terms of the New Share Option Scheme provide that in granting options under the New Share Option Scheme, the Board may offer to grant any options subject to such terms and conditions in relation to the minimum period of the options to be held and/or the performance criteria to be satisfied before such options can be exercised and/or any other terms as the Board may determine in its absolute discretion. The Board will also have the discretion in determining the exercise price in respect of any option, provided that the relevant requirements in the Listing Rules are complied with. The Directors are of the view that the flexibility given to the Directors to impose the minimum period for which the options have to be held and performance targets and other conditions that have to be achieved before the options can be exercised, will place the Group in a better position to attract human resources that are valuable to the growth and development of the Group as a whole.

The Company considers that it would not be appropriate to state the value of all options that could have been granted under the New Share Option Scheme as if they had been granted on the Latest Practicable Date, as a number of variables which are crucial for the calculation of the option value are yet to be determined. Such variables include the subscription price payable for the Shares, exercise period, any lock-up period and any performance target. The Company believes that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would be misleading to the Shareholders.

LETTER FROM THE BOARD

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

A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. The rules of the New Share Option Scheme proposed to be adopted by the Company at the Annual General Meeting will be available for inspection at the Company's principal place of business in Hong Kong at Unit 3102-05, 31st Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong during normal business hours on any weekdays (except public holidays and any weekday on which Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning is given in Hong Kong at any time during 9:00 a.m. to 5:00 p.m.) from the date of this circular up to and including the date of Annual General Meeting and at the Annual General Meeting.

The terms of the New Share Option Scheme have been prepared in compliance with Chapter 17 of the Listing Rules. The Company will continue to comply with the relevant Listing Rules from time to time in force in respect of share option scheme.

PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND ADOPTION OF THE NEW BYE-LAWS

The Board proposes to seek the approval of the Shareholders at the Annual General Meeting for the amendment to the Existing Bye-Laws and adoption of the New Bye-Laws consolidating all of the proposed amendments to the Existing Bye-Laws as set out in Appendix IV to this circular, the provisions of which will principally reflect recent changes brought about by the amendments to the Listing Rules and for housekeeping purpose. A summary of the proposed amendments to the Existing Bye-Laws is set out in Appendix IV to this circular.

The proposed amendments to the Existing Bye-Laws and adoption of the New Bye-Laws is subject to the approval of the Shareholders by way of passing the requisite special resolution at the Annual General Meeting and shall come into effect upon the passing of such special resolution at the Annual General Meeting.

Shareholders are advised that the Bye-Laws are available only in English and the Chinese translation of the amendments to the Bye-Laws provided in Appendix IV to this circular in Chinese is for reference only. In case of any inconsistency, the English version shall prevail.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting at Room 1, United Conference Centre Ltd., 10/F., United Centre, 95 Queensway, Hong Kong on Tuesday, 31 July 2012, at 10:00 a.m. at which resolutions will be proposed for the purpose of considering and if thought fit, approving the resolutions set out in the AGM Notice as set out on pages 37 to 42 of this circular.

A form of proxy for use in connection with the Annual General Meeting is enclosed herewith. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked. Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the Annual General Meeting will be by poll.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the renewal of the General Mandate and the Repurchase Mandate, the re-election of Directors, the adoption of the New Share Option Scheme, the amendments to the Existing Bye-Laws and adoption of the New Bye-Laws are in the best interests of the Company as well as its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

By Order of the Board
Opes Asia Development Limited
Chu Wai Lim
Executive Director

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This explanatory statement contains the information required to be set out in this circular pursuant to Rule 10.06(1)(b) of the Listing Rules. Its purpose is to provide Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to approve the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully-paid share capital of the Company was 299,300,000 shares of HK\$0.01 each.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 29,930,000 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

2. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. Whilst it is not possible to anticipate any specific circumstance in which the Directors might think it appropriate to repurchase Shares, they believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company and its Shareholders as such repurchases may, depending on the market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such repurchases in circumstances where they consider them to be in the best interests of the Company and its Shareholders as a whole.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-Laws, the Listing Rules and the Companies Act. The Company is empowered by its Bye-Laws to repurchase its Shares. The Companies Act provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, or funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a new issue of Shares made for the purpose of the repurchase. The amount of premium payable on the repurchase may only be paid out of either the funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

Under the laws of Bermuda, no purchase by a company of its own shares may be effected if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the company is, or after the purchase would be, unable to pay its liabilities as they become due. In accordance with the laws of Bermuda, the shares so repurchased would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

There might be a material adverse impact on the working capital or gearing position of the Company, as compared with the position disclosed in the latest audited financial statements for the year ended 31 December 2011 contained in its annual report for 2011, in the event that the Repurchase Mandate is exercised in full at any time during the Repurchase Mandate period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company that, in the opinion of the Directors, are from time to time appropriate for the Company.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

4. SHARE PRICE

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the 12 months preceding the Latest Practicable Date were as follows:

	Adjusted Price per Share	
	Highest	Lowest
	trade price	trade price
	<i>HK\$</i>	<i>HK\$</i>
2011		
June	0.820	0.640
July	0.740	0.560
August	0.670	0.430
September	0.570	0.370
October	0.550	0.340
November	0.480	0.310
December	0.450	0.335
2012		
January	0.415	0.340
February	0.430	0.290
March	0.435	0.295
April (<i>Note</i>)	–	–
May (<i>Note</i>)	–	–
June (up to the Latest Practicable Date) (<i>Note</i>)	0.335	0.240

Source: <http://www.hkex.com.hk>

Note: Trading in the Shares on the Stock Exchange was suspended from 2 April 2012 to 4 June 2012.

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Bye-Laws and the applicable laws of Bermuda.

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

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

No connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company or its subsidiaries (if any), nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company or its subsidiaries (if any), in the event that the Repurchase Mandate is granted by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of the increase of the Shareholders' interest, could obtain or consolidate control of the Company and give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the register of interests in Shares and short positions maintained by the Company pursuant to Section 336 of the SFO showed that the Company had been notified of the following interests, being 5% or more of the Company's issued share capital:

Name	Number of Shares held	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Cheung Tung Lan, Tony	25,500,000	8.52%	9.47%
Wang Chang Limited	23,120,000	7.72%	8.58%

Based on the above, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate. The Company has no intention to exercise the Repurchase Mandate to such extent that it would give rise to an obligation to make a mandatory offer under the Takeovers Code or result in the amount of Shares held by the public being reduced to less than 25% of the issued share capital of the Company.

7. SHARE REPURCHASES BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

EXECUTIVE DIRECTOR

Ms. Fong Son Wa, aged 32, joined the analytical team of the Company in August 2006 and became an executive Director in October 2007. Ms. Fong holds a Postgraduate Diploma in Development Finance from The University of Manchester, United Kingdom and a dual honours degree in Business Administration and Finance at University of Keele, United Kingdom. Her selected research focused on business development in emerging and developing countries. Ms. Fong's career started at the research tour to Sri Lanka performing research analysis in its financial monetary system. She has also served in The Universal.com Technology Ltd as a business analyst. In early 2003, she joined one of the largest state-owned banking institutes, Bank of China Group, toured through various positions, such as research analysis, financial products, etc. She has gained extensive knowledge in the field of business incubation and development in the emerging markets.

As at the Latest Practicable Date, Ms. Fong was interested in 300,000 Shares and the share options granted by the Company to subscribe for 1,096,552 Shares. Ms. Fong does not hold any other position in the Company or any of its subsidiaries (if any) nor did she hold any directorship in any listed public company in Hong Kong or anywhere else in the last three years. Ms. Fong does not have any relationship with any other directors, senior management or the substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

Ms. Fong has not entered into any service contract with the Company. She is not appointed for any specific term of service with the Company. She will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. The current emoluments of Ms. Fong comprise an annual remuneration of HK\$420,000 and a fixed bonus of HK\$35,000, which were determined by the Board with reference to her duties and responsibilities with the Company, the Company's performance and the prevailing market condition.

NON-EXECUTIVE DIRECTOR

Mr. Wang Shiyan, aged 48, has been appointed as a non-executive Director since July 2011. Mr. Wang holds a Master's Degree in Engineering from Dalian University of Technology. He is currently a Doctoral candidate at the Institute of Finance and Banking in the Chinese Academy of Social Sciences in the People's Republic of China. Mr. Wang has long been engaged in the businesses of finance, investment and culture communication in China. He has a profound sense of professionalism, extensive experience in investment and management, and keen industry insight. Mr. Wang also holds many public positions in China, such as membership in the WuHu City Political Consultative Conference (蕪湖市政協) and vice-presidency of WuHu Young Entrepreneurs' Association (蕪湖市青年企業家協會), and has considerable social influence.

As at the Latest Practicable Date, Mr. Wang did not have any interests in the shares of the Company within the meaning of Part XV of the SFO. Mr. Wang does not hold any other position in the Company or any of its subsidiaries (if any) nor did he hold any directorship in any listed public company in Hong Kong or anywhere else in the last three years. Mr. Wang does not have any relationship with any other directors, senior management or the substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

Mr. Wang has not entered into any service contract with the Company. He is not appointed for any specific term of service with the Company. He will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. The current emoluments of Mr. Wang comprise an annual remuneration of HK\$240,000, which was determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition and do not include any bonus payments.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Professor Chen Yamin, aged 59, has been appointed as an independent non-executive Director since May 2011. He is also a member of the audit committee, nomination committee and remuneration committee of the Company. Professor Chen obtained a Master's Degree in Economics from Shanghai University of Finance and Economics and a Doctoral Degree in Economics in International Accounting from Renmin University of China (also known as the People's University of China). Currently, Professor Chen serves as the Director of Department of Accounting at Antai College of Economics and Management, Shanghai Jiao Tong University. He is an Accounting Standards consultant in the Ministry of Finance of the PRC, a member of the Expert Committee for Digital City Construction of the PRC and an executive director of the Accounting Society of China. He is also an independent director of Shanghai Kaikai Industrial Company Limited, whose A shares and B shares are listed on the Shanghai Stock Exchange, and a director of Shanghai Jielong Group Industry Corporation Limited, whose A shares are listed on the Shanghai Stock Exchange. Professor Chen was an independent director of China Haisum Engineering Company Limited and Jiangsu Jiangnan High Polymer Fiber Company Limited, whose respective A shares are listed on the Shenzhen Stock Exchange and the Shanghai Stock Exchange, respectively. He was also an executive director of the Chinese Institute of Corporate Finance and Cost (Youth and Mid-Aged).

Professor Chen, a renowned PRC expert in accounting, participated in the drafting of the First Draft of Chinese Accounting Standards for Business Enterprises, and was in charge of setting examination papers for the subjects of "Accounting" and "Financial Management" for the first examination of registered accountants in the PRC. In addition to accounting, Professor Chen also participates in the PRC capital markets. He is one of the founders of China Chengxin Credit Rating Company, the first professional credit rating agency in the PRC. Professor Chen was involved in more than sixty domestic and overseas IPO projects and more than ten large-scale international acquisitions.

As at the Latest Practicable Date, Professor Chen was interested in the share options granted by the Company to subscribe for 300,000 Shares. Save as disclosed above, Professor Chen does not hold any position in the Company or any of its subsidiaries (if any) nor did he hold any directorship in any listed public company in Hong Kong or anywhere else in the last three years. Professor Chen does not have any relationship with any other directors, senior management or the substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

Professor Chen has not entered into any service contract with the Company. No terms have been fixed or proposed for Professor Chen's length of service with the Company, although he is subject to retirement by rotation and re-election in accordance with the Bye-Laws. The current emoluments of Professor Chen comprise an annual remuneration of HK\$240,000, which was determined by the Board with reference to his duties and responsibilities with the Company, the Company's performance and the prevailing market condition and do not include any bonus payments.

OTHERS

There is no other information relating to the above Directors that is required to be disclosed pursuant to Rule 13.51(2) sub-paragraphs (h) to (v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

The following is a summary of the principal terms of the New Share Option Scheme to be adopted at the Annual General Meeting.

(a) Purpose

The New Share Option Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules and is established to recognize and acknowledge the contributions the Eligible Participants (as defined in paragraph (b) below) had or may have made to the Group. The New Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) to motivate the Eligible Participants to optimize their performance efficiency for the benefit of the Group; and
- (ii) to attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

(b) Who may join

The Board may, at its discretion, offer to grant an option to the following persons (collectively the “Eligible Participants”) to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (f) below to:

- (i) any full-time employees, executives, officers, directors (including executive and non-executive directors) and part-time employees with weekly working hours of 15 hours and above of the Company or any of its subsidiaries; and
- (ii) any advisors, consultants, suppliers, agents, business affiliates and such other persons who, in the sole opinion of the Board, will or have contributed to the Group.

(c) Acceptance of an offer of options

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptances of the options duly signed by the grantee, together with a remittance in favor of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date. Such remittance shall in no circumstances be refundable. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Subject to paragraphs (l), (m), (n) and (o), an option shall be exercised in whole or in part and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Shares as shall represent one board lot for dealing in Shares on the Stock Exchange for the time being, by the grantee by giving notice in writing to the Company stating that the option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the exercise price for the Shares in respect of which the notice is given. Within 30 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the auditors to the Company or the approved independent financial advisor as the case may be pursuant to paragraph (q), the Company shall allot and issue the relevant number of Shares to the grantee credited as fully paid and issue to the grantee certificates in respect of the Shares so allotted.

The exercise of any option shall be subject to the Shareholders in a general meeting approving any necessary increase in the authorised share capital of the Company.

(d) Maximum number of Shares

The maximum number of Shares in respect of which options may be granted under the New Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue, excluding for this purpose Shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the New Share Option Scheme (or any other share option schemes of the Company). Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

- (i) renew this limit at any time to 10% of the Shares in issue as of the date of the approval by the Shareholders in general meeting; and/or
- (ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board before the Shareholders' approval for the increase in the limit is sought. The circular issued by the Company to the Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing and subject to paragraph (q) below, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any schemes of the Company (including the New Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of the Company or an approved independent financial advisor shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company in accordance with paragraph (q) below whether by way of consolidation, capitalization issue, rights issue, sub-division or reduction of the share capital of the Company but in no event shall exceed the limit prescribed in this paragraph.

(e) Maximum number of options to any one individual

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the New Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as of the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by the Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and
- (ii) the approval of the shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares.

If the Board determines to offer an option to an Eligible Participant, the Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine (or, alternatively, documents accompanying the offer document which state), among others:

- (aa) the Eligible Participant's name, address and occupation;
- (bb) the date on which an option is offered to an Eligible Participant;
- (cc) the date upon which an offer for an option must be accepted;
- (dd) the date upon which an option is deemed to be granted and accepted in accordance with paragraph (c);

- (ee) the number of Shares in respect of which the option is offered;
- (ff) the subscription price and the manner of payment of such price for the Shares on and in consequence of the exercise of the option;
- (gg) the date of the notice given by the grantee in respect of the exercise of the option; and
- (hh) the method of acceptance of the option which shall, unless the Board otherwise determines, be as set out in paragraph (c).

(f) Price of Shares

Subject to any adjustments made as described in paragraph (q) below, the subscription price of a Share in respect of any particular option granted under the New Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price must be at least the higher of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

(g) Granting options to connected persons

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, canceled and outstanding) to such person in the 12-month period up to and including the date of such grant:

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

such further grant of options will be subject to the issue of a circular by the Company and the approval of the shareholders in general meeting on a poll at which all connected persons (as defined in the Listing Rules) 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 intention to do so has been stated in that circular which complies 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. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by the Company to the shareholders pursuant to the above paragraph shall contain the following information:

- (i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before the shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;
- (ii) a recommendation from the independent non-executive Directors (excluding the independent non-executive Director who is the relevant Eligible Participant) to the independent shareholders as to voting; and

- (iii) the information required under Rules 2.17 and 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

(h) Restrictions on the times of grant of options

A grant of options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published pursuant to the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish results for any year, half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement, no option may be granted. The period during which no option may be granted will cover any period of delay in the publication of a results announcement.

(i) Rights are personal to grantee

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option or attempt so to do (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.

(j) Time of exercise of option and duration of the New Share Option Scheme

An option may be exercised in accordance with the terms of the New Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the New Share Option Scheme. Subject to earlier termination by the Company in general meeting or by the Board, the New Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption.

(k) Performance target

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the New Share Option Scheme can be exercised.

(l) Rights on ceasing employment or death

If the grantee of an option ceases to be an employee of the Company or any of its subsidiaries (i) by any reason other than death or termination of his employment on the grounds specified in paragraph (m) below, the grantee may exercise the option up to the entitlement of the grantee as of the date of cessation (to the extent not already exercised) within such period to be determined in the absolute discretion of the Board following the date of such cessation, which date shall be the last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not; or (ii) by reason of death, his personal representative(s) may exercise the option within a period of one month from such cessation, which date shall be the last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse.

(m) Rights on dismissal

If the grantee of an option ceases to be an employee of the Company or any of its subsidiaries on the grounds that he has been guilty of serious misconduct, or in relation to an employee of the Group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group, or has committed any act of bankruptcy or is unable to pay his debts or has become insolvent or has made any arrangement or has compromised with his creditors generally, or has been convicted of any criminal offense involving his integrity or honesty, his option will lapse and not be exercisable after the date of termination of his employment.

(n) Rights on takeover

If a general offer is made to all the shareholders (or all such shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) or is declared unconditional during the option period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within one month after the date on which the offer becomes or is declared unconditional.

Subject to paragraph (l) above, if a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the relevant Eligible Participant who has been granted options (or his or her legal personal representatives) may, thereafter (but before such time as shall be notified by the Company and in any case, before the scheme becomes effective) exercise the option to its full extent or to the extent specified in such notice.

(o) Rights on winding-up

In the event of an effective resolution being passed for the voluntary winding-up of the Company, the relevant Eligible Participant who has been granted options (or his or her legal personal representatives) may by notice in writing to the Company within 21 days after the date of such resolution elect to be treated as if the option (to the extent not already exercised) had been exercised immediately before the passing of such resolution either to its full extent or to the extent specified in such notice and shall accordingly be entitled to receive out of the assets available in the liquidation *pari passu* with the holders of Shares such sum as would have been received in respect of the Shares the subject of such election reduced by an amount equal to the exercise price of the option which would have been payable in respect thereof.

(p) Ranking of Shares

The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of exercise.

(q) Effect of alterations to capital

In the event of any alteration in the capital structure of the Company whilst any option may become or remains exercisable, whether by way of capitalization issue, rights issue, open offer, sub-division, consolidation of shares, or reduction of share capital of the Company in accordance with applicable laws and regulatory requirements, such corresponding alterations (if any) shall be made in the number or nominal amount of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of the Company or an independent financial advisor shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with 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. The capacity of the auditors of the Company or the approval independent financial advisor, as the case may be, in this paragraph is that of experts and not arbitrations and their certificate shall, in absence of manifest error, be final and conclusive and binding on the Company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of the Company for which any grantee of an option is entitled to subscribe pursuant to the options held by him before such alteration and the aggregate subscription price payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

(r) Expiration of option

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

- (i) the date of expiration of the option as may be determined by the Board;
- (ii) the expiration of any of the periods referred to in paragraphs (l), (m), (n) or (o);
- (iii) the date on which the scheme of arrangement of the Company referred to in paragraph (n) becomes effective;
- (iv) the date of commencement of the winding-up of the Company;
- (v) the date on which the grantee ceases to be an Eligible Participant by reason of termination of his or her relationship with the Company and/or any of its subsidiaries on any one or more of the grounds that he or she has been guilty of serious misconduct, or has committed any act of bankruptcy or is unable to pay his debts or has become insolvent or has made any arrangement or has compromised with his creditors generally, or has been convicted of any criminal offense involving his integrity or honesty or in relation to an employee of the Group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or
- (vi) the date on which the Board shall exercise the Company's right to cancel the option at any time after the grantee commits a breach of paragraph (i) above or the options are canceled in accordance with paragraph (t) below.

(s) Alteration of the New Share Option Scheme

The New Share Option Scheme 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 Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and
- (ii) any material alteration to the terms and conditions of the New Share Option Scheme or any change to the terms of options granted,

shall first be approved by the shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the New Share Option Scheme. The amended terms of the New Share Option Scheme shall still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme must be approved by shareholders in general meeting.

(t) Cancellation of options

Subject to paragraph (i) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options. For the avoidance of doubt, such approval is not required in the event any Option is cancelled pursuant to paragraph (m).

(u) Termination of the New Share Option Scheme

The Company may by resolution in general meeting or the Board at any time terminate the New Share Option Scheme and in such event no further option 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 thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

(v) Administration of the Board

The New Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the New Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

(w) Condition of the New Share Option Scheme

The New Share Option Scheme is conditional on the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may fall to be issued pursuant to the exercise of options to be granted under the New Share Option Scheme.

If the condition in this paragraph is not satisfied within two calendar months after the Adoption Date:

- (i) the New Share Option Scheme shall forthwith determine;
- (ii) any option granted or agreed to be granted pursuant to the New Share Option Scheme and any offer of such a grant shall be of no 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 granted thereunder.

APPENDIX IV SUMMARY OF THE PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

A summary of all the proposed amendments to the Existing Bye-Laws are set out below. The Company proposes to effect these amendments by way of adopting the New Bye-Laws.

1. **Bye-Law 1(A)**

The following new definition is proposed to be added to the existing Bye-Law 1(A) in alphabetical order:

““business day(s)” shall mean any day on which The Stock Exchange of Hong Kong Limited is generally open for the business of dealing in securities;”

2. **Bye-Law 1(A)**

The existing definition of “the Company” or “this Company” in Bye-law 1(A), which reads:

“the Company” or “this Company” shall mean China Treasure (Greater China) Investments Limited incorporated in the Cayman Islands on 14 September 2001 and continued into Bermuda on 6 February 2007;”

is to be revised as:

“the Company” or “this Company” shall mean Opes Asia Development Limited (formerly known as China Treasure (Greater China) Investments Limited) incorporated in the Cayman Islands on 14 September 2001 and continued into Bermuda on 6 February 2007;”

3. **Bye-Law 1(C)**

The existing Bye-Law 1(C) reads:

“(C) A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such shareholders as, being entitled so to do, vote in person or, by duly authorised corporate representative or, where proxies are allowed, by proxy at a general meeting of which not less than 21 days’ notice, specifying (without prejudice to the power contained in these presents to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given. Provided that, if it is so agreed by a majority in number of the shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as a Special Resolution at a meeting of which less than 21 days’ notice has been given.”

APPENDIX IV SUMMARY OF THE PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

The above existing Bye-Law 1(C) is proposed to be deleted in its entirety and substituting therefor the following as the new Bye-Law 1(C):

“(C) A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of votes cast by such shareholders as, being entitled so to do, vote in person or by duly authorised corporate representative or, where proxies are allowed, by proxy at a general meeting held in accordance with these presents and of which notice specifying the intention to propose the resolution as a Special Resolution, has been duly given in accordance with Bye-law 63.”

4. Bye-Law 1(D)

The existing Bye-Law 1(D) reads:

“(D) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such shareholders as, being entitled so to do, vote in person or by duly authorised corporate representative or, where proxies are allowed, by proxy at a general meeting held in accordance with these presents and of which not less than 14 days’ notice has been duly given. Provided that, if it is so agreed by a majority in number of the shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as an Ordinary Resolution at a meeting of which less than 14 days’ notice has been given.”

The above existing Bye-Law 1(D) is proposed to be deleted in its entirety and substituting therefor the following as the new Bye-Law 1(D):

“(D) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of votes cast by such shareholders as, being entitled so to do, vote in person or by duly authorised corporate representative or, where proxies are allowed, by proxy at a general meeting held in accordance with these presents and of which notice has been duly given in accordance with Bye-law 63.”

APPENDIX IV SUMMARY OF THE PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

5. Bye-Law 63

The existing Bye-Law 63 reads:

“An annual general meeting and a meeting called for the passing of a Special Resolution shall be called by at least twenty-one days’ notice in writing, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a Special Resolution shall be called by at least fourteen days’ notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-Laws, entitled to receive such notices from the Company, provided that, subject to the provisions of the Companies Act, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:—

- i) in the case of a meeting called as the annual general meeting, by all the shareholders entitled to attend and vote thereat; and
- ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.”

The above existing Bye-law 63 is proposed to be deleted in its entirety and substituting therefor the following as the new Bye-Law 63:

“63. An annual general meeting shall be called by notice in writing of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any special general meeting at which the passing of a Special Resolution is to be considered shall be called by notice in writing of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other special general meetings may be called by notice in writing of not less than fourteen (14) clear days and not less than ten (10) clear business days. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-Laws, entitled to receive such notices from the

APPENDIX IV SUMMARY OF THE PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

Company, provided that, subject to the provisions of the Companies Act, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:–

- i) in the case of a meeting called as an annual general meeting, by all the shareholders entitled to attend and vote thereat; and
- ii) in the case of any other meeting, by a majority in number of the shareholders having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.”

6. Bye-Law 97(A)

The existing Bye-Law 97(A) reads:

“(A) A Director shall vacate his office:–

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ii) if he becomes a lunatic or of unsound mind;
- (iii) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited by law from acting as a Director;
- (v) if by notice in writing delivered to the Company at its Registered Office or at the Head Office he resigns his office;
- (vi) if he shall be removed from office by an Ordinary Resolution of the Company under Bye-Law 104.”

APPENDIX IV SUMMARY OF THE PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

The above existing Bye-law 97(A) is proposed to be deleted in its entirety and substituting therefor the following as the new Bye-Law 97(A):

“(A) A Director shall vacate his office:–

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ii) if he becomes a lunatic or of unsound mind;
- (iii) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited by law from acting as a Director;
- (v) if by notice in writing delivered to the Company at its Registered Office or at the Head Office he resigns his office;
- (vi) if he shall be removed from office by an Ordinary Resolution of the Company under Bye-Law 104 or by a resolution passed by not less than two-thirds of the Directors in office under Bye-law 104A.”

7. Bye-Law 98(H)(iii)

The existing Bye-Law 98(H)(iii) reads:

“(iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;”

APPENDIX IV SUMMARY OF THE PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS

The above existing Bye-Law 98(H)(iii) is proposed to be deleted in its entirety and replacing with the words “Intentionally Deleted”.

8. Bye-Law 98(I)

The existing Bye-Law 98(I) reads:

“(I) A company shall be deemed to be a company in which a Director together with any of his associates owns five (5) per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he together with his associates is (either directly or indirectly) the holder of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights of any class of shares available to shareholders of the company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associates as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director’s or his associates’ interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associates is interested only as a unit holder.”

The above existing Bye-Law 98(I) is proposed to be deleted in its entirety and replacing with the words “Intentionally Deleted”.

9. Bye-Law 98(J)

The existing Bye-Law 98(J) reads:

“(J) Where a company in which a Director together with any of his associates holds five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of the company is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.”

The above existing Bye-Law 98(J) is proposed to be deleted in its entirety and replacing with the words “Intentionally Deleted”.

**APPENDIX IV SUMMARY OF THE PROPOSED AMENDMENTS
TO THE EXISTING BYE-LAWS**

10. Bye-Law 104A

A new Bye-law 104A is proposed to be added to the Bye-Laws immediately after the existing Bye-law 104:

“104A. A Director may be removed by a resolution passed by not less than two-thirds of the Directors in office in a duly convened meeting of the Board and in respect of which the Chairman shall not have a second or casting vote. The Board may appoint another person in his stead. Any person so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at such meeting, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.”

11. Bye-Law 122

The existing Bye-Law 122 reads:

“122. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.”

The above existing Bye-law 122 is proposed to be deleted in its entirety and substituting therefor the following as the new Bye-Law 122:

“122. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote (save and except that a Director may be removed by a resolution passed by not less than two-thirds of the Directors in office pursuant to Bye-law 104A and in which case, the Chairman shall not have a second or casting vote).”

NOTICE OF ANNUAL GENERAL MEETING



OPES ASIA DEVELOPMENT LIMITED 華保亞洲發展有限公司*

(Continued into Bermuda with limited liability)

(Stock Code: 810)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Annual General Meeting**”) of Opes Asia Development Limited (the “**Company**”) will be held at Room 1, United Conference Centre Ltd., 10/F., United Centre, 95 Queensway, Hong Kong on Tuesday, 31 July 2012, at 10:00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements, the reports of the directors of the Company (the “**Directors**”) and the auditors of the Company (the “**Auditors**”) for the year ended 31 December 2011.
2. To re-elect the following retiring Directors:
 - (a) Ms. Fong Son Wa as executive Director;
 - (b) Mr. Wang Shiyan as non-executive Director; and
 - (c) Professor Chen Yamin as independent non-executive Director.
3. To authorise the board of Directors to fix the remuneration of the Directors.
4. To re-appoint FTW & Partners CPA Limited as the Auditors and authorise the board of Directors to fix the remuneration of the Auditors.

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

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

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants 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 approval in paragraph (a) shall be in addition to any other authorisation gives to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which might require the exercise of such powers 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 paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or other similar arrangement for the time being adopted for the grant or issue of shares or rights of the Company; or (iii) any scrip dividend or 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 (the “**Bye-Laws**”), shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

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

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the capital of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of shares of the Company which are authorised to be repurchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”;

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolutions nos. 5 and 6 above, the general mandate to the Directors pursuant to resolution no. 5 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 6, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

8. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any options granted under the new share option scheme (the “**New Share Option Scheme**”), a copy of which marked “A” is produced to the meeting and for the purpose of identification signed by the chairman hereof, the New Share Option Scheme be and is hereby approved and adopted by the Company and that the directors of the Company be and are hereby authorised to grant options to the eligible participants under the New Share Option Scheme and to allot and issue Shares upon the exercise of any options granted thereunder and pursuant to the terms and conditions thereof, and to do all such acts, matters and things as they may in their discretion consider necessary, expedient or desirable to give effect to and implement the New Share Option Scheme; and
- (b) no further options could be offered under the existing share option scheme of the Company (the “**Existing Share Option Scheme**”) adopted on 8 February 2002 and expired on 7 February 2012, but in all other respects the provisions of the Existing Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of options granted prior to its expiration or otherwise as may be required in accordance with the provisions of the Existing Share Option Scheme and all options granted prior to such expiration and not exercised at the date of expiration shall remain valid.”
9. To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

“**THAT**, the bye-laws of the Company (“**Bye-Laws**”), in the form produced to this meeting and marked “B” and signed by the Chairman of this meeting for identification purpose, be and hereby approved and adopted with immediate effect as the amended and restated Bye-Laws in substitution for and to the exclusion of the existing Bye-Laws.”

By Order of the Board
Opes Asia Development Limited
Chu Wai Lim
Executive Director

Hong Kong, 29 June 2012.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any shareholder of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his/ her proxy to attend and vote on his behalf in accordance with the bye-laws of the Company. A shareholder of the Company who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
2. A form of proxy for use at the Annual General Meeting is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.
3. Where there are joint registered holders of any share(s), any one of such joint holders may attend and vote at the Annual General Meeting, either in person or by proxy, in respect of such share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Annual General Meeting or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. 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.
4. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the Annual General Meeting or any adjournment thereof if he/she so desires. If a shareholder of the Company attends and votes at the Annual General Meeting after having deposited the form of proxy, his/her form of proxy will be deemed to have been revoked.

As at the date of this notice, the executive directors of the Company are Mr. Yang Yongdong, Mr. Chu Wai Lim, Ms. Fong Son Wa; the non-executive director of the Company is Mr. Wang Shiyang; the independent non-executive directors of the Company are Professor Chen Yamin, Mr. Chan Yuk Sang and Mr. Ku Siu Fun Alex.