
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Capital VC Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**CAPITAL
VC LIMITED**

首都創投有限公司

Capital VC Limited
首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*
(Stock Code: 02324)

**GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

Resolutions will be proposed at the annual general meeting (the “AGM”) of the Company to be held at Suite 7601B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, Hong Kong on Monday, 31 December 2012 at 11:30 a.m. to approve the matters referred to in this circular. The notice convening the AGM is set out in Appendix IV to this circular. If you are unable to attend the AGM in person, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting and in such event, the form of proxy shall be deemed to be revoked.

28 November 2012

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I – Explanatory Statement	6
Appendix II – Details of the Directors to be Re-elected	9
Appendix III – Notice of Annual General Meeting	13
Accompanying Document – Form of Proxy	

DEFINITION

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

“2012 Annual Report”	the Audited Consolidated Financial Statements and the Reports of the Directors and Auditors of the Company for the year ended 30 June 2012
“AGM”	the annual general meeting of the Company to be held on 31 December 2012 at which, among other things, the 2012 Annual Report will be adopted and resolutions for approving Issue Mandate and Repurchase Mandate will be considered
“Articles”	Articles of Association of the Company
“Board”	the board of Directors of the Company
“Company”	Capital VC Limited, a company incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as CNI VC Limited, whose shares are listed on the Stock Exchange
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Director(s)”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution approving the grant of such mandate
“Latest Practicable Date”	26 November 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITION

“Repurchase Mandate”	the general and unconditional mandate to the Directors to exercise the power of the Company to repurchase Shares 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 of the relevant resolution approving the grant of such mandate
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases, as amended from time to time

LETTER FROM THE BOARD



CAPITAL
VC LIMITED

首都創投有限公司

Capital VC Limited 首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*

(Stock Code: 02324)

Executive Directors:

Mr. Kong Fanpeng
Mr. Chan Cheong Yee

Non-executive Director:

Mr. Hung Cho Sing

Independent Non-executive Directors:

Mr. Lam Kwan
Mr. Ong Chi King
Mr. Cheung Kwok Yu

Registered office:

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

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

Room 602, 6th Floor
New World Tower
16-18 Queen's Road Central
Hong Kong

28 November 2012

To the Shareholders

Dear Sir or Madam,

GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

At the AGM, resolutions will be proposed to (i) grant to the Directors general mandates to repurchase and issue Shares; (ii) extend the general mandate to issue Shares; and (iii) re-elect retiring Directors. In compliance with the Listing Rules, this circular contains the explanatory statement and gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE ADDITIONAL SHARES

An ordinary resolution will be proposed at the AGM for the purpose of renewing the existing share issue mandate granted to Directors to allot, issue and otherwise deal with the Shares. The existing issue mandate will expire at the conclusion of the AGM. The share issue mandate is subject to a limit equal to 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing the resolution.

GENERAL MANDATE FOR REPURCHASE OF SHARES

The repurchase resolution will be proposed for the purpose of renewing the existing Repurchase Mandate granted to the Directors to repurchase Shares. The existing Repurchase Mandate will expire at the conclusion of the AGM. The Repurchase Mandate is subject to a limit of equal to 10% of the issued and fully paid up share capital of the Company as at the date of passing the resolution. An explanatory statement to the Repurchase Mandate is set out in Appendix I to this circular.

EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

Subject to the passing at the AGM of the proposed resolutions regarding the share issue mandate and the repurchase mandate, an ordinary resolution will be proposed at the AGM to approve the extension of the 20% share issue mandate, ie. 201,857,366 Shares, by adding to the share issue mandate the number of shares that may be repurchased under the Repurchase Mandate. Shareholders are referred to the AGM notice for details of the resolutions. With reference to these resolution, the Board wishes to state that it has no immediate plans to repurchase any shares or to issue any new shares pursuant to the relevant mandates.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 87(3) of the Company's articles of association, Mr. Ong Chi King, Mr. Cheung Kwok Yu and Mr. Chan Cheong Yee shall retire as Directors and, being eligible, offer themselves for re-election as Director at the AGM. Mr. Lam Kwan shall be subject to Shareholders' approval to continue to be the independent non-executive Directors of the Company in accordance with the recommended best practice of the Listing Rules because his term of service with the Company has been over nine years. Particulars of the retiring Directors are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The notice of the AGM is set out in Appendix III to this circular.

LETTER FROM THE BOARD

PROXY ARRANGEMENT

A form of proxy for use at the AGM is enclosed with this circular. In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting at the AGM or any adjournment thereof and in such event, the form of proxy shall be deemed to be revoked.

VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the AGM will be taken by way of poll.

RECOMMENDATION

The Directors consider that the Repurchase Mandate; the Issue Mandate; the extension of the issue mandate and the re-election of the retiring Directors are in the best interests of the Company and the Shareholders. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

Yours faithfully,
For and on behalf of the Board
Kong Fanpeng
Executive Director

The following explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules to be given to the Shareholders relating to a resolution to be proposed at the forthcoming AGM authorizing the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date the issued and fully paid up share capital of the Company comprised 1,009,286,831 Shares. Exercise in full of the Repurchase Mandate, if so approved, on the basis that no further shares are issued or repurchased between the Latest Practicable Date and the date of the approval of the Repurchase Mandate, the Company would be allowed under the repurchase resolution to repurchase a maximum of 100,928,683 Shares during the period from the date on which such resolution is passed until the date of: (i) conclusion of the next AGM of the Company; (ii) the expiration of the period within which the next AGM of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held; or (iii) the revocation, variation or removal of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting, whichever occurs first, representing not more than 10% of the issued share capital of the Company as at the Latest Practicable Date.

REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the mandate will provide the Company the flexibility to make such repurchase when appropriate and beneficial to the Company and the Shareholders as a whole. Such repurchase may enhance the net assets value per Share and/or earnings per Share.

GENERAL

As compared with the financial position of the Company as at 30 June 2012 (being the date of its latest published audited financial statements), the Directors consider that there might be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed purchases were to be carried out in full during the proposed purchase period. However, the Directors do not intend to make any purchase to such an extent as would in the circumstances have a material adverse impact on the working capital or gearing position of the Company.

FUNDING OF REPURCHASE

Repurchases must be made of the funds legally available for the purpose in accordance with the memorandum and articles of association of the Company and the applicable laws and regulations of the Cayman Islands and the Listing Rules. The Companies laws of the Cayman Islands (“Laws”) provide that a share repurchase by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose or, if so authorized by the Articles and subject to the provisions of the Laws, out of capital. Any premium payable on a repurchase over the par value of the Shares repurchased or conditionally or unconditionally to be purchased must be provided for out of profits of the Company or out of the Company’s share premium account or, if so authorized by the Articles and subject to the provisions of the Laws, out of capital.

SHARE REPURCHASE MADE BY THE COMPANY

During the period of six months preceding the Latest Practicable Date, no Shares had been repurchased by the Company (whether on the Stock Exchange or otherwise).

SHARE PRICES

During the previous twelve months before the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

	Price per Share	
	Lowest <i>HK\$</i>	Highest <i>HK\$</i>
2011		
October	0.280	0.345
November	0.280	0.330
December	0.270	0.310
2012		
January	0.265	0.300
February	0.255	0.335
March	0.248	0.290
April	0.222	0.255
May	0.212	0.280
June	0.179	0.265
July	0.167	0.193
August	0.104	0.184
September	0.086	0.112
October	0.071	0.096
November (<i>Up to the Latest Practicable Date</i>)	0.055	0.078

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, to exercise the power of the Company to repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands and in accordance with the regulations set out in the Memorandum and Articles of Association of the Company. None of the Directors nor, to the best of their knowledge having made all reasonable inquiries, any of their associates (as defined in the Listing Rules) have any present intention to sell any securities to the Company under the Repurchase Mandate if such is approved by the Shareholders. No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

EFFECT OF TAKEOVERS CODE

If on exercise of the power to repurchase Shares pursuant to 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 a group of Shareholders acting in concert could, depending on the level of increase of Shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. The Directors are not aware of any Shareholders, or a group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate. As at the Latest Practicable Date, based on disclosures made under Part XV of the SFO and to the best of the knowledge and belief of the Company, information on the substantial Shareholders of the Company was as follows:

Ordinary shares of HK\$0.10 each of the Company

Name of substantial shareholder	Nature of interests	Number of shares interested	% of issued share capital	
			Before repurchase	After repurchase in full
Willie International Holdings Limited	Beneficial interests	233,960,000	23.18%	25.76%

If the Directors exercise in full the powers to repurchase Shares pursuant to the Repurchase Mandate, the increase in shareholding of the substantial shareholder would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

MR. ONG CHI KING (“MR. ONG”)

Mr. Ong, aged 39, has been an independent non-executive director of the Company since 20 January 2012. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Ong received a bachelor’s degree in business administration from The Hong Kong University of Science and Technology and a master’s degree in corporate finance from The Hong Kong Polytechnic University. Mr. Ong has more than 16 years of experience in accounting, finance and company secretarial fields and held senior positions in finance and company secretarial departments in various listed companies listed on the Main Board of the Stock Exchange. Mr. Ong is currently a qualified accountant and company secretary of a company listed on the Main Board of the Stock Exchange.

Mr. Ong has not held any directorship in public companies the securities of which are listed on any securities exchange in Hong Kong or overseas in the past three years. He has not previously held any position in the Company or its subsidiaries, nor has any relationship with any directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company.

As at the Latest Practicable Date, Mr. Ong did not hold any Shares within the meaning of Part XV of the SFO. Mr. Ong is not related to any other Directors, senior management, substantial shareholder, or controlling shareholders of the Company. Mr. Ong is entitled to a director’s fee in the amount of HK\$120,000 per annum, which is determined by reference to his duties and responsibilities with the Company, the experience of Mr. Ong and the prevailing practice in the market. Mr. Ong does not have a service agreement with the Company which is not determinable by the Company within one year without paying compensation (other than statutory compensation). Mr. Ong is subject to retirement by rotation in accordance with the Articles of Association of the Company.

Save as disclosed above, the Board is not aware of any other matters in relation to the appointment of Mr. Ong that need to be brought to the attention of the shareholders of the Company or any information that should be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MR. CHEUNG KWOK YU (“MR. CHEUNG”)

Mr. Cheung, aged 42, has been a non-executive director of the Company since 5 March 2012, and has re-designated as an independent non-executive Director with effect from 28 June 2012. He is a Chartered Financial Analyst charterholder and a professional accountant in Hong Kong, and is also qualified as a solicitor in Hong Kong. He has a Master degree in Applied Finance from Macquarie University in Sydney and a Bachelor of Arts degree in Accountancy from Hong Kong Polytechnic University. Mr. Cheung has over 20 years of working experience in international accounting firms and law firms and listed companies in direct investment, accounting, legal, corporate finance and mergers and acquisitions.

Mr. Cheung is currently an executive director of Pearl Oriental Oil Limited (Stock Code: 0632). Mr. Cheung was also an independent non-executive director of Global Green Tech Group Limited (Stock Code: 0274) during the period from 25 September 2009 to 31 December 2010 and an independent non-executive director of Sun Century Group Limited (formerly known as Hong Long Holdings Limited) (Stock Code: 1383) during the period from 5 September 2011 to 1 June 2012. Save as disclosed, Mr. Cheung did not hold any other directorships in listed public companies in the last three years. He has not previously held any position in the company or its subsidiaries.

As at the Latest Practicable Date, Mr. Cheung did not hold any Shares within the meaning of Part XV of the SFO. Mr. Cheung is not related to any other Directors, senior management, substantial shareholder, or controlling shareholders of the Company. Mr. Cheung is entitled to a director’s fee in the amount of HK\$120,000 per annum, which is determined by reference to his duties and responsibilities with the Company, the experience of Mr. Cheung and the prevailing practice in the market. Mr. Cheung does not have a service agreement with the Company which is not determinable by the Company within one year without paying compensation (other than statutory compensation). Mr. Cheung is subject to retirement by rotation in accordance with the Articles of Association of the Company.

Saved as disclosed above, the Board is not aware of any other matters that need to be brought to the attention of the Shareholders of the Company in respect of Mr. Cheung, and Mr. Cheung has confirmed that there are no other matters that need to be brought to the attention of the Shareholders with his re-election and that no other information needs to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

MR. CHAN CHEONG YEE (“MR. CHAN”)

Mr. Chan, aged 48, has been a non-executive director of the Company since 21 November 2012. He holds a Bachelor of Science degree from the College of Business Administration of The University of South Florida in the United States of America. Mr. Chan is currently a licensed person to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading) and type 9 (asset management) regulated activities under the SFO. He is experienced in dealing in securities, fund management, corporate management, corporate finance and managing listed investment companies under Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange.

In June 2003, Mr. Chan joined China Innovation Investment Limited (stock code: 1217), an investment company listed on the Stock Exchange, as an executive director. Mr. Chan was appointed as an independent non-executive director of Bingo Group Holdings Limited (stock code: 8220), a company listed on the Growth Enterprise Market of the Stock Exchange, in August 2007, and was re-designated as an executive director of Bingo Group Holdings Limited in April 2009. Mr. Chan was appointed as an independent non-executive director of Agritrade Resources Limited (stock code: 1131), a company listed on the Stock Exchange, in June 2010. Mr. Chan was appointed as an executive director of China Investment and Finance Group Limited (stock code: 1226), an investment company listed on the Stock Exchange, in March 2011. Mr. Chan was also appointed as an executive director of China Investment Development Limited (stock code: 204), an investment company listed on the Stock Exchange, in May 2012.

As at the Latest Practicable Date, Mr. Chan has not entered into any service contract with the Company and will be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company. Mr. Chan is entitled to a director’s fee of HK\$50,000 per month, which is determined with reference to his duties and responsibilities in the Company and the remuneration for directors of comparable listed companies.

As at the Latest Practicable Date, Mr. Chan does not have any interest in the shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Chan has not held any directorship in other public companies in the last three years preceding the date of his appointment and does not hold any other position with the Company or any of its subsidiaries. Mr. Chan does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there is no other matter relating to the appointment of Mr. Chan that needs to be brought to the attention of the shareholders of the Company and there is no other information that needs to be disclosed pursuant to the requirement of Rule 13.51(2)(h) to (v) of the Listing Rules.

MR. LAM KWAN (“MR. LAM”)

Mr. Lam, aged 43, has been an independent non-executive director of the Company since 10 September 2003. He obtained a Bachelor degree in Accountancy from the Hong Kong Polytechnic University. He is a practicing Certified Public Accountant in Hong Kong, a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Lam is currently a director of Charles H.C. Cheung & CPA Limited. Mr. Lam had not held any directorship in any listed company in the past three years.

As at the Latest Practicable Date, Mr. Lam did not hold any Shares within the meaning of Part XV of the SFO. Mr. Lam is not related to any other Directors, senior management, substantial shareholder, or controlling shareholders of the Company. During the year ended 30 June 2012, Mr. Lam received a director’s fee in the amount of HK\$120,000 per annum, which was determined between Mr. Lam and the Company at arm’s length on the basis of his previous experience, qualifications, responsibility to be involved in the Company, the amount of time required to be devoted to the Company’s business, the current financial position of the Company and the prevailing market condition. Mr. Lam does not have a service agreement with the Company which is not determinable by the Company within one year without paying compensation (other than statutory compensation). Mr. Lam is subject to retirement by rotation in accordance with the Articles of Association of the Company.

Since Mr. Lam has served the Group as an independent non-executive Director for more than nine years, he should be subject to re-election by the Shareholders for a longer term in accordance with the recommended best practice of Code on Corporate Governance Practices. Nonetheless, the Company has received confirmation from Mr. Lam as to his independence in compliance with the requirements of the Listing Rules and Mr. Lam has not engaged in any daily executive management of the Group. Taking into consideration of his independent scope of work in the past years, the Directors consider Mr. Lam to be independent under the Listing Rules despite the fact that he has served the Company for more than nine years. Accordingly, the Directors would like to seek the Shareholders’ approval for the continuous appointment of Mr. Lam as an independent non-executive Director.

Saved as disclosed above, the Board is not aware of any other matters that need to be brought to the attention of the Shareholders of the Company in respect of Mr. Lam, and Mr. Lam has confirmed that there are no other matters that need to be brought to the attention of the Shareholders with his re-election and that no other information needs to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.



CAPITAL
VC LIMITED

首都創投有限公司

Capital VC Limited
首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*

(Stock Code: 02324)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“Meeting”) of Capital VC Limited (the “Company”) will be held at Suite 7601B, Level 76, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong on Monday, 31 December 2012 at 11:30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the directors’ report and auditor’s report for the year ended 30 June 2012.
2. To re-elect retiring directors and to authorise the board of directors to fix the directors’ remuneration.
3. To re-appoint auditors and to authorise the board of directors to fix their remuneration.

SPECIAL BUSINESS

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

(A) “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase shares of HK\$0.10 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission 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 (“Listing Rules”) or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of the shares to be purchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution, and the said approval shall be limited accordingly; and
 - (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next Annual General Meeting of the Company;
 - (ii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; or
 - (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held.”
- (B) “THAT:
- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to issue, allot and deal with additional shares in the Company, and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into shares in the Company) which would or might require the exercise of such power after the end of the Relevant Period;
 - (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any of the warrants or securities which are convertible into shares of the Company; or (iii) an issue of shares in the Company as scrip dividends pursuant to the Articles of Association of the Company from time to time; or (iv) an issue of shares in the Company under any option scheme or similar arrangement for the grant or issue to employees

of the Company and/or any of its subsidiaries of shares in the Company or rights to acquire shares in the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:

“Relevant Period” shall have the same meaning as those ascribed to it under paragraph (c) of the Ordinary Resolution No. 4(A) in the Notice convening this Meeting; and

“Rights Issue” means an offer of shares in the Company, open for a period fixed by the directors to the holders of shares, whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

(C) “THAT subject to the passing of the Ordinary Resolutions Nos. 4(A) and 4(B) in the Notice convening this Meeting, the aggregate nominal amount of shares which are to be purchased by the Company pursuant to the authority granted to the Directors as mentioned in Resolution No. 4(A) shall be added to the aggregate nominal amount of the share capital that may be allotted or agreed to be allotted by the Directors pursuant to Resolution No. 4(B).”

By Order of the Board
Kong Fanpeng
Executive Director

Hong Kong, 28 November 2012

Notes:

1. A member of the Company entitled to attend and vote at the meeting (or at any adjournment thereof) is entitled to appoint one, or if he is a holder of more than one share, more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy and the power of attorney (if any), under which it is signed or a certified copy thereof, must be lodged at the Company's branch registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the appointed time for holding the above meeting or any adjournment thereof.
3. Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish and in such event, the form of proxy shall be deemed to be revoked.