
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED

中國金融國際投資有限公司

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 721)

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;**
- (2) PROPOSED RE-ELECTION OF DIRECTORS AND CONTINUOUS
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR
WHO HAS SERVED FOR MORE THAN NINE YEARS;**
- (3) PROPOSED TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME; AND**
- (4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at Suite 6504, 65th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 15 December 2017 at 11:00 a.m. is set out on pages 24 to 28 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, 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. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

30 October 2017

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DEFINITIONS

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

“Adoption Date”	the date on which the New Share Option Scheme becomes unconditional upon fulfillment of the conditions as set out in the paragraph headed “Conditions precedent of the New Share Option Scheme” in the section headed “Letter from the Board” of this circular
“AGM”	the annual general meeting of the Company to be convened and held on Friday, 15 December 2017 at 11:00 a.m. to consider and, if thought fit, approve, among other things, the proposed grant of the General Mandate and the Repurchase Mandate; the proposed re-election of Directors and continuous appointment of Mr. Zeng Xianggao as independent non-executive Director; and the proposed termination of Existing Share Option Scheme and adoption of New Share Option Scheme
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities listed thereon
“Bye-law(s)”	the bye-laws of the Company
“close associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Companies Act”	the Companies Act 1981 of Bermuda as amended from time to time
“Company”	China Financial International Investments Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“core connected person”	has the meaning ascribed to this term under the Listing Rules
“Directors”	the directors of the Company

DEFINITIONS

“Eligible Participant(s)”	full time or part time employees, executives, officers or directors (whether executive or non-executive and whether independent or not) of the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group
“Existing Share Option Scheme”	the existing share option scheme of the Company conditionally adopted on 15 January 2008, which is proposed to be terminated by resolution at the AGM
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to issue further new Shares not exceeding 20% of the issued share capital of the Company as at the date of granting of the General Mandate
“Group”	the Company and all of its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Inside Information”	has the meaning ascribed to this term under the SFO
“Latest Practicable Date”	23 October 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the AGM, the principal terms of which are set out in Appendix III to this circular
“Offer(s)”	the offer(s) for the grant of an Option(s) made in accordance with the New Share Option Scheme
“Offer Date”	the date on which an Offer(s) is/are made to an Eligible Participant(s)
“Option(s)”	any option(s) to be granted to Eligible Participant(s) to subscribe for Share(s) under the New Share Option Scheme

DEFINITIONS

“Option Period”	in respect of any particular Option, the period to be determined and notified by the Directors to the grantee thereof at the time of making an Offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular Option but subject to the provisions for early termination thereof contained herein
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a grantee, is or are entitled to exercise the Option granted to such grantee (to the extent not already exercised)
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region and Taiwan)
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the issued share capital of the Company as at the date of granting of the Repurchase Mandate
“Scheme Mandate Limit”	has the meaning ascribed to it under paragraph (E) of Appendix III to this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED 中國金融國際投資有限公司

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 721)

Executive Directors:

Mr. Du Lin Dong (*Chairman and Chief Executive Officer*)
Mr. Pong Po Lam

Non-executive Director:

Mr. Ding Xiaobin

Independent non-executive Directors:

Dr. Cheung Wai Bun Charles *J.P.*
Mr. Zeng Xianggao
Mr. Li Cailin

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

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

Suite 6504, 65/F
Central Plaza
18 Harbour Road
Wanchai, Hong Kong

30 October 2017

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS AND CONTINUOUS
APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR
WHO HAS SERVED FOR MORE THAN NINE YEARS;
(3) PROPOSED TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME; AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the forthcoming AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the granting of the General Mandate and the Repurchase Mandate to the Directors; (ii) the re-election of Directors and continuous appointment of Mr. Zeng Xianggao as independent non-executive Director; and (iii) the termination of the Existing Share Option Scheme and adoption of the New Share Option Scheme.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for the granting of the General Mandate and the Repurchase Mandate, the re-election of Directors and continuous appointment of Mr. Zeng Xianggao as independent non-executive Director, the termination of the Existing Share Option Scheme and adoption of the New Share Option Scheme and the notice of the AGM.

GENERAL MANDATE AND REPURCHASE MANDATE

At the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the General Mandate and the Repurchase Mandate.

General Mandate

At the AGM, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the General Mandate) to allot, issue and deal with unissued Shares or underlying shares of the Company (other than by way of rights or pursuant to the Existing Share Option Scheme and/or the New Share Option Scheme for employees of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Bye-laws) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate nominal amount of up to 20% of the issued Shares as at the date of granting of the General Mandate.

In addition, a separate ordinary resolution will further be proposed for extending the General Mandate authorising the Directors to allot, issue and deal with Shares to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has an aggregate of 10,971,634,030 Shares in issue. Subject to the passing of the resolutions for the approval of the General Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the General Mandate to allot, issue and deal with a maximum of 2,194,326,806 Shares.

Repurchase Mandate

At the AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate amount of up to 10% of the issued Shares as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 1,097,163,403 Shares.

LETTER FROM THE BOARD

The General Mandate (including the extended General Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the General Mandate (including the extended General Mandate) and the Repurchase Mandate up to (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, the Companies Act or any applicable laws of Bermuda to be held; or (iii) the revocation or variation of the General Mandate (including the extended General Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

RE-ELECTION OF DIRECTORS AND CONTINUOUS APPOINTMENT OF MR. ZENG XIANGGAO

According to Bye-laws 88(1) and 88(2), at each annual general meeting, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to, but not less than one-third, shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once in every three years. A retiring Director shall be eligible for re-election.

In accordance with Bye-laws 88(1) and 88(2), Mr. Pong Po Lam and Mr. Li Cailin shall retire from office by rotation at the AGM. Being eligible, each of them will offer himself for re-election as executive/independent non-executive Director (as the case may be).

According to code provision A.4.3 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, if an independent non-executive director serves more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by Shareholders. Mr. Zeng Xianggao (“**Mr. Zeng**”) has been appointed as an independent non-executive Director for more than nine years. The Company has received from Mr. Zeng a confirmation of independence according to Rule 3.13 of the Listing Rules. Mr. Zeng has not engaged in any executive management of the Group. Taking into consideration of his independent scope of work in the past years, the Directors consider Mr. Zeng to be independent under the Listing Rules despite the fact that he has served the Company for more than nine years. The Board believes that Mr. Zeng’s continued tenure brings considerable stability to the Board and the Board has benefited greatly from the presence of Mr. Zeng who has over time gained valuable insight into the Group.

At the AGM, ordinary resolutions will be proposed to re-elect each of Mr. Pong Po Lam, Mr. Zeng Xianggao and Mr. Li Cailin as executive/independent non-executive Director (as the case may be).

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

LETTER FROM THE BOARD

TERMINATION OF EXISTING SHARE OPTION SCHEME AND ADOPTION OF NEW SHARE OPTION SCHEME

The New Share Option Scheme

The Existing Share Option Scheme was adopted by the Company on 15 January 2008 with a term of 10 years and will expire on 14 January 2018. In view of the expiration of the Existing Share Option Scheme, an ordinary resolution will be proposed at the AGM to terminate the Existing Share Option Scheme and adopt the New Share Option Scheme. Following the termination of the Existing Share Option Scheme, no further options will be granted under such scheme, but in all other respects the provisions of the Existing Share Option Scheme will remain in full force and effect and options granted prior to such termination will continue to be valid and exercisable in accordance with the rules of the Existing Share Option Scheme. Apart from the Existing Share Option Scheme, the Company had no other share option scheme currently in force as at the Latest Practicable Date.

Since the adoption of the Existing Share Option Scheme, 237,090,000 share options have been granted by the Company under the Existing Share Option Scheme and were fully exercised and/or lapsed subsequently.

The purpose of the New Share Option Scheme is to enable the Company to grant Options to selected Eligible Participants as incentives or rewards for their contribution or potential contribution to the Company. A summary of the principal terms of the New Share Option Scheme are set out in Appendix III to this circular.

At the AGM, an ordinary resolution will be proposed for the Company to approve and adopt the New Share Option Scheme, which will take effect on the date of its adoption at the AGM subject to the Stock Exchange granting approval for the listing of and dealing in the Shares to be issued and allotted pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

Although the rules of the New Share Option Scheme provide that the New Share Option Scheme is not subject to any performance target and does not prescribe any specific minimum period for which an option must be held before it can be exercised, the Board believes that the requirement for a minimum exercise price (which is summarised in paragraph (D) in Appendix III to this circular) of the New Share Option Scheme will serve to protect the value of the Shares and encourage Eligible Participants to acquire proprietary interests in the Company which will increase in value in line with the contribution by the Eligible Participants to the Company, so as to achieve the purpose of the New Share Option Scheme. No trustee will be appointed under the New Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all Options that can be 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 have not been determined. The Directors believe that any statement regarding the value of the Options as at the Latest Practicable Date would not be meaningful and could potentially be misleading to the Shareholders, taking into account the number of variables which are crucial for the calculation of the option value which have not been determined. Such variables include the exercise price, exercise period, and vesting period (if any), any performance targets set and other relevant factor (if any).

LETTER FROM THE BOARD

None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such trustee (if any) of the New Share Option Scheme with respect to the operation of the New Share Option Scheme. The Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

Conditions Precedent of the New Share Option Scheme

The adoption of the New Share Option Scheme is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM to approve the adoption of the New Share Option Scheme; and
- (b) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

Assuming that there is no change in the total issued share capital of the Company between the period from the Latest Practicable Date and the Adoption Date, the number of Shares that may fall to be allotted and issued upon exercise in full of the Options that may be granted after the resolution authorising the Directors to allot and issue up to 10% of the then issued share capital of the Company has passed at the AGM would be 1,097,163,403 Shares should the New Share Option Scheme be adopted pursuant to Rule 17.03(3) of the Listing Rules. The limit on the 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 schemes must not exceed 30% of the relevant class of Shares in issue from time to time.

A copy of the rules of the New Share Option Scheme will be available for inspection during normal business hours on Business Days at the principal place of business of the Company in Hong Kong at Suite 6504, 65/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong from the date of this circular up to and including the date of the AGM.

To the best of the Directors' knowledge, information and relief having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution to approve the adoption of the New Share Option Scheme.

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 which may fall to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme and at the AGM.

AGM

A notice convening the AGM to be held at Suite 6504, 65th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 15 December 2017 at 11:00 a.m. is set out on pages 24 to 28 of this circular. Ordinary resolutions will be proposed at the AGM to approve, among other things, the granting of the General Mandate (including the extended General Mandate) and the Repurchase Mandate; the re-election of Directors and continuous appointment of Mr. Zeng Xianggao as independent non-executive Director; and the termination of the Existing Share Option Scheme and adoption of the New Share Option Scheme.

LETTER FROM THE BOARD

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

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement will be made by the Company after the AGM on the results of the AGM.

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 the proposed grant of the General Mandate (including the extended General Mandate) and the Repurchase Mandate; the proposed re-election of Directors and continuous appointment of Mr. Zeng Xianggao as independent non-executive Director; and the proposed termination of Existing Share Option Scheme and adoption of New Share Option Scheme are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolution to be proposed at the AGM.

Yours faithfully
For and on behalf of the Board of
China Financial International Investments Limited
Du Lin Dong
Chairman and Chief Executive Officer

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

1. REPURCHASE OF SECURITIES FROM CONNECTED PARTIES

The Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a “core connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective close associates and a core connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 10,971,634,030 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM date, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 1,097,163,403 fully paid Shares, representing 10% of the issued share capital of the Company as at the date of passing of the resolution.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and its Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under Bermuda laws and the memorandum of association of the Company and the Bye-laws for such purpose.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 30 June 2017, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months immediately prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2016		
October	0.480	0.395
November	0.470	0.400
December	0.520	0.380
2017		
January	0.460	0.380
February	0.420	0.310
March	0.415	0.370
April	0.395	0.250
May	0.315	0.270
June	0.355	0.270
July	0.305	0.280
August	0.295	0.248
September	0.270	0.220
October (up to the Latest Practicable Date)	0.247	0.191

6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM.

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 and applicable laws of Bermuda.

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

As at the Latest Practicable Date, to the best knowledge of the Directors, the following Shareholders are interested in more than 10% of the Shares then in issue:

Name	Number of Shares	Percentage holding
Excel Gainer International Limited	1,865,130,000	17.00%
Treasure Vanguard Investments Limited	1,865,130,000	17.00%
Chen Meishu	1,865,130,000	17.00%
Hong Rui Holdings Limited	1,100,000,000	10.03%
Lan Heng	1,100,000,000	10.03%

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

Name	Percentage holding
Excel Gainer International Limited	18.89%
Treasure Vanguard Investments Limited	18.89%
Chen Meishu	18.89%
Hong Rui Holdings Limited	11.14%
Lan Heng	11.14%

On the basis of the current shareholdings of the above Shareholders, an exercise of the Repurchase Mandate in full will not result in any of them becoming obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

At as the Latest Practicable Date, the Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of the above Shareholders, or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months immediately prior to the Latest Practicable Date.

Details of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

(1) MR. PONG PO LAM (“MR. PONG”)

Mr. Pong, aged 60, is an executive Director, member of executive committee and authorised representative of the Company. He is also the managing director of Pegasus Fund Managers Limited. He has been working in the fund management industry for over 30 years. He is also chairman of Shenzhen Qianhai Prudence Investment Fund Management Company Limited and advisor for asset management of Mass Mutual Asia Ltd. He is non-official member of Human Capital Committee of Financial Services Development Council, member of Advisory Committee of Hang Seng Indexes Co. Ltd., chairman and Founder of Institute of Financial Technologists of Asia Ltd, member of Construction Industry Council – Investment Task Force, Co-Convener of Financial Section of Hong Kong Professionals & Senior Executives Association. He is also chairman of the Institute of Financial Planners of Hong Kong, vice president of The Hong Kong Institute of Financial Analysts and Professional Commentators Ltd., vice president of HK Shanxi Chamber of Commerce, a chairman of Investment and Fund Management Services of CEPA Business Opportunities Development Alliance, a member of Court of City University of Hong Kong, a member of Business Studies Advisory Board of HKU SPACE and a guest speaker for senior management training courses in several multi-national financial/insurance companies and universities. He joined the Group in 2001.

Mr. Pong has not entered any service agreement with the Company. He is subject to retirement by rotation and/or re-election at general meetings in accordance with the Bye-laws. He is entitled to a fixed annual emolument of HK\$60,000 which is determined by the Board with reference to his duties and responsibilities within the Company and the prevailing market conditions and he may entitle to discretionary bonus depending on the performance of the Group. Save as disclosed herein, Mr. Pong is not entitled to any other benefits.

Save as disclosed above, Mr. Pong had not held any other directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Pong does not have any relationship with any directors, senior management or substantial or controlling Shareholders of the Company nor held any position with the Group.

As at the Latest Practicable Date, Mr. Pong does not, and is not deemed to have, any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO.

(2) MR. ZENG XIANGGAO (“MR. ZENG”)

Mr. Zeng, aged 58, an independent non-executive Director, member of audit committee and member of nomination committee of the Company, who is the proprietor of Kangyuan Zeng & Co. (certified public accountant firm). Mr. Zeng is a fellow member of The Association of Chartered Certified Accountants and a member of The Hong Kong Institute of Certified Public Accountants (practicing). He was previously an accounting lecturer of Sun Yat-Sen University at Guangzhou, and an audit and tax consultant in two international accounting firms. He has extensive experience in accounting, taxation and auditing practice in Hong Kong as well as in the PRC. Mr. Zeng graduated from the Renmin University of China (Beijing) with a master degree in economics, and also obtained training certificate of independent directorship from the Shanghai National Accounting Institute in 2004. Mr. Zeng was the independent non-executive director of Capinfo Company Limited from 18 January 2011 to 19 June 2015, a joint stock limited company incorporated in the PRC with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (Stock code: 1075). He join the Group on 28 February 2008.

Mr. Zeng has entered into a letter of appointment with the Company for a term of two years commencing from 28 February 2017. He is subject to retirement by rotation and/or re-election at general meetings in accordance with the Bye-laws. He is entitled to a fixed annual emolument of HK\$60,000, which is determined by the Board with reference to his duties and responsibilities within the Company and the prevailing market conditions and he may entitle to discretionary bonus depending on the performance of the Group. Save as disclosed herein, Mr. Zeng is not entitled to any other benefits.

Save as disclosed above, Mr. Zeng had not held any other directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Zeng does not have any relationship with any directors, senior management or substantial or controlling Shareholders of the Company nor held any position with the Group.

As at the Latest Practicable Date, Mr. Zeng personally held 1,000,000 Shares, representing approximately 0.01% of the existing issued share capital of the Company. Save as disclosed, he does not, and is not deemed to have, any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO.

As disclosed in the announcement of the Company dated 31 December 2014, on 12 December 2014, the Disciplinary Committee (the “**Disciplinary Committee**”) of the Hong Kong Institute of Certified Public Accountants (the “**Institute**”) found that:

- (i) Mr. Zeng failed or neglected to observe, maintain or otherwise apply section 110 “Integrity” and section 120 “Objectivity” of the Code of Ethics for Professional Accountants and Hong Kong Standard on Auditing 550 “Related Parties” (the “**First Incident**”); and
- (ii) Mr. Zeng failed or neglected to observe, maintain or otherwise apply sections 100.5 and 130 “Professional Competence and Due Care ” of the Code of Ethics for Professional Accountants. The Disciplinary Committee also found that Mr. Zeng was guilty of professional misconduct (the “**Second Incident**”).

In the First Incident, the Disciplinary Committee ordered on 12 December 2014 that the name of Mr. Zeng be removed from the register of certified public accountants for 10 months with effect from 2 February 2015, and that Mr. Zeng be reprimanded and pay a penalty of HK\$18,000 to the Institute for his failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute. In addition, Mr. Zeng was ordered to pay costs of the disciplinary proceedings of HK\$31,840.

In the Second Incident, the Disciplinary Committee ordered on 12 December 2014 that the practising certificate of Mr. Zeng is to be cancelled with effect from 2 February 2015 and the same shall not be issued to him for 10 months from that date for his failure or neglect to observe, maintain or otherwise apply professional standards issued by the Institute and being guilty of professional misconduct. In addition, Mr. Zeng was ordered to pay costs of the disciplinary proceedings of HK\$25,376.

(3) MR. LI CAILIN (“MR. LI”)

Mr. Li, aged 63, is an independent non-executive Director, chairman of remuneration committee, member of audit committee and member of nomination committee of the Company. He is a senior engineer who holds a Bachelor Degree in International Finance at the Wuhan University, and a research graduate in Investment Management at the Dongbei University of Finance and Economics. Mr. Li has held senior positions in China Construction Bank and acted as the directors of Postal Savings Bank of China and China UnionPay. He is currently the director of Cinda Financial Leasing Co., Ltd. Mr. Li has been working in the banking services field for 46 years with over 30 years of experience in management of commercial banks. He won the First Class Progress Prize in Scientific and Collective Technology (Provincial) in the PRC. Mr. Li is a senior banker in the PRC. He joined the Group on 7 September 2015.

Mr. Li has entered into a letter of appointment with the Company for a term of two years commencing from 7 September 2017. He is subject to retirement by rotation and/or re-election at general meetings in accordance with the Bye-laws. He is entitled to a fixed annual emolument of HK\$60,000, which is determined by the Board with reference to his duties and responsibilities within the Company and the prevailing market conditions and he may entitle to discretionary bonus depending on the performance of the Group. Save as disclosed herein, Mr. Li is not entitled to any other benefits.

Save as disclosed above, Mr. Li had not held any other directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years. Mr. Li does not have any relationship with any directors, senior management or substantial or controlling Shareholders of the Company nor held any position with the Group.

As at the Latest Practicable Date, Mr. Li does not, and is not deemed to have, any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed, there is no information relating to Mr. Pong Po Lam, Mr. Zeng Xianggao and Mr. Li Cailin that is required to be disclosed pursuant to Rules 13.51(2) (h) to (x) of the Listing Rules.

Save as disclosed herein, there is no other matter relating to Mr. Pong Po Lam, Mr. Zeng Xianggao and Mr. Li Cailin that needs to be brought to the attention of the Shareholders and the Stock Exchange.

The following is a summary of the principal terms of the New Share Option Scheme but does not form part of, nor was it intended to be, the New Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the New Share Option Scheme:

(A) PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to provide incentives and/or rewards to Eligible Participants for their contributions to, and continuing efforts to promote the interests of, the Company.

(B) ADMINISTRATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to the New Share Option Scheme or its interpretation or effect shall (save as otherwise provided herein, including but not limited to (a) the Scheme Mandate Limit; (b) the grant of Options to any of the substantial Shareholder (as defined in the Listing Rules) of the Company, an independent non-executive Director, connected person(s) (as defined in the Listing Rules) of the Company or any of their respective associates in certain circumstances, and any changes in the terms thereof; (c) the adjustment to be made in the event of any alternation in the capital structure of the Company; (d) the cancellation of Options; and (e) the alternation and termination of the New Share Option Scheme, and in the absence of manifest error) be final and binding on all persons who may be affected thereby.

(C) GRANT AND ACCEPTANCE OF OPTIONS

Subject to the terms of the New Share Option Scheme, the Board may, in its absolute discretion, invite any Eligible Participants to take up Options to subscribe for Shares at a price calculated in accordance with paragraph (D) below.

An offer of the grant of an Option shall be made to Eligible Participants in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine and shall remain open for acceptance by the Eligible Participant concerned for a period of twenty-one (21) days inclusive of, from the date upon which it is made provided that no such offer shall be open for acceptance after the earlier of the close of business of the Company on the date which falls ten (10) years after the Adoption Date or the termination of the New Share Option Scheme or the Eligible Participant to whom such offer is made has ceased to be an Eligible Participant.

A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of an Option. An Option shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Option duly signed by the Eligible Participant together with the said consideration of HK\$1.00 is received by the Company.

Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in such number of Shares as represents a board lot for the time being for the purpose of trading on the Stock Exchange or an integral multiple thereof.

(D) EXERCISE OF OPTIONS AND PRICE OF SHARES

An Option may be exercised in whole or in part by the grantee 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 subscription price for the Shares in respect of which the notice is given. Within thirty (30) days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate of the Company's auditors or independent financial advisers, the Company shall allot and issue the relevant Shares to the grantee (or his legal personal representative(s)) credited as fully paid.

Holders of the Options are not entitled to voting, dividend, transfer and other rights of the holders of the Shares, including those arising on a liquidation of the Company, save as otherwise provided herein or under the relevant laws or the memorandum of association of the Company and the Bye-laws in effect from time to time. Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the Bye-laws for the time being in force and will rank *pari passu* in all respects with the existing fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the "**Exercise Date**") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted upon the exercise of an Option shall not carry voting rights until the name of the grantee has been duly entered into the register of members of the Company as the holder thereof.

The subscription price for Shares under the New Share Option Scheme determined by the Board at its absolute discretion but in any event will not be less than the highest of (i) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the Offer Date, which must be a Business Day; (ii) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the 5 Business Days immediately preceding the Offer Date; and (iii) the nominal value of a Share on the Offer Date.

(E) MAXIMUM NUMBER OF SHARES AVAILABLE FOR ISSUE

- (i) Subject to the Listing Rules, the overall limit on the 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 must not exceed 30% of the relevant class of Shares in issue from time to time. No Options may be granted under the New Share Option Scheme or any other share option schemes of the Company if this will result in this limit being exceeded.
- (ii) Subject to the limit mentioned in paragraph (E)(i) above, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the Shares in issue as at the date of the approval of the New Share Option Scheme (the "**Scheme Mandate Limit**"), unless Shareholders' approval has been obtained pursuant to sub-paragraphs (iii) and (iv) below. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

- (iii) Subject to the limit mentioned in paragraph (E)(i) above, the Company may refresh the Scheme Mandate Limit at any time subject to approval of the Shareholders in general meeting, provided that the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of passing the relevant resolution. Options previously granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised Options) will not be counted for the purpose of calculating the Scheme Mandate Limit. The Company must send a circular to the Shareholders containing such information as required under the Listing Rules.
- (iv) Subject to the limit mentioned in paragraph (E)(i) above, the Company may also seek separate approval of the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing a generic description of the specified Eligible Participant(s), the number and terms of Options to be granted, the purpose of granting Options to the specified Eligible Participant(s) with an explanation as to how the terms of the Options serve such purpose and such other information as required under the Listing Rules.

(F) GRANT OF OPTIONS TO CONNECTED PARTICIPANT(S) OR ANY OF THEIR ASSOCIATES

Any grant of Options to a connected person (including but not limited to a Director, chief executive or substantial Shareholder) or their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).

Where Options are proposed to be granted to a connected person who is also a substantial Shareholder or an independent non-executive Director or their respective associates, and if such grant of Options would result in the total number of Shares issued and to be issued upon exercise of the Options granted and to be granted (including Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of the grant of such Options to such person representing in aggregate over 0.1% of the total number of issued Shares and have an aggregate value (based on the closing price of the Shares at the date of each grant of these Options) exceeding HK\$5,000,000, then the proposed grant must be subject to the approval of the Shareholders in a general meeting (taken on a poll) in accordance with the requirements of the Listing Rules. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting.

A circular must be prepared by the Company explaining the proposed grant, disclosing, among other matters, (i) the number and terms of the Options to be granted, (ii) containing a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a grantee) on whether or not to vote in favour of the proposed grant, and (iii) containing information relating to any Directors who are trustees of the scheme or have a direct or indirect interest in the trustees.

Any change in the terms of Options granted to a connected person or its associates must be approved by Shareholders in a general meeting.

(G) MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

The total number of Shares issued and to be issued upon exercise of the Options granted to each Eligible Participant or grantee (including exercised and outstanding Options) in any twelve (12)-month period up to the date of grant shall not exceed 1% of the Shares in issue. Where it is proposed that any offer is to be made to an Eligible Participant (or where appropriate, an existing grantee) which would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such person (including exercised, cancelled and outstanding Options) in the twelve (12)-month period up to and including the relevant date of grant to exceed such limit, such offer and any acceptance thereof must be conditional upon Shareholders' approval in general meeting with such Eligible Participant (or where appropriate, an existing grantee) and his, her or its close associates (or his, her or its associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Eligible Participant or grantee, the number and terms of Options to be granted (and Options previously granted) to such Eligible Participant, and the information required under the Listing Rules. The number and terms (including the subscription price) of Options to be granted to such Eligible Participant must be fixed before the date on which Shareholders' approval is sought and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(H) TIME OF EXERCISE OF OPTIONS

Subject to the terms of the New Share Option Scheme, an Option may be exercisable in whole or in part at any time during such period(s) to be determined and notified by the Directors to the grantee, thereof at the time of making an Offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular Option but subject to the early termination of the New Share Option Scheme (the "Option Period").

There is no specified minimum period under the New Share Option Scheme for which an Option must be held or the performance target which must be achieved before an Option can be exercised under the terms of the New Share Option Scheme.

(I) RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

Grant of Options may not be made:

- (1) after Inside Information has come to the knowledge of the Company until it has been announced pursuant to the requirements of the Listing Rules; and
- (2) during the period commencing from one month immediately preceding the earlier of:
 - (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to publish its results for any year or 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 announcements.

(J) RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the grantee of the Option and shall not be assignable.

No grantee of the Option shall in any way sell, transfer, charge, mortgage, encumber or create any interest whatsoever in favour of any third party over or in relation to any Option or enter into any agreement so to do. Any breach of the foregoing by a grantee of the Option shall entitle the Company to cancel any Option or part thereof granted to such grantee to the extent not already exercised.

(K) RIGHTS ON CESSATION OF EMPLOYMENT BY DISMISSAL

If the grantee of an Option is an employee and ceases to be an employee on one or more of the grounds that he or she has been guilty of persistent or serious misconduct, bankruptcy, insolvency, composition with his or her creditors generally or conviction of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or the Group into disrepute) or any other ground(s) on which the Group would be entitled to terminate his or her employment pursuant to any applicable law, his or her Option (to the extent not already exercised) will lapse on the date of cessation of his or her employment, unless the Board otherwise determines.

(L) RIGHTS ON DEATH

If the grantee of an Option ceases to be an Eligible Participant by reason of his or her death before exercising the Options in full and none of the events referred to in paragraph (K) above as ground for termination of his or her Options arises, his or her personal representative(s) may exercise the Option (to the extent not already exercised) within a period of six months following the date of death (or such longer period as the Board may determine), failing which it will lapse. If any of the events referred to in paragraphs (P) to (R) below occurs during such period, his or her personal representative(s) may exercise the Option pursuant to paragraphs (P) to (R) respectively.

**(M) RIGHTS ON CESSATION OF EMPLOYMENT BY REASON OF ILL-HEALTH OR
RETIREMENT OR RESIGNATION**

If the grantee of an Option is an employee and ceases to be an employee by reason of ill-health or retirement or resignation in accordance with his or her contract of employment, he or she may exercise the Option (to the extent not already exercised) within a period of six months following the date of such cessation, failing which it will lapse, unless the Board otherwise determines. The date of cessation shall be the last day on which the grantee is actually at work with the Group whether salary is paid in lieu of notice or not. If any of the events referred to in paragraphs (P) to (R) below occurs during such period, he or she may exercise the Option pursuant to paragraphs (P) to (R) respectively.

(N) RIGHTS ON CESSATION FOR OTHER REASONS

If the grantee of an Option ceases to be an Eligible Participant for any reason other than the reasons set out in paragraphs (L) and (M) above, his or her Option (to the extent not already exercised) will lapse on the date of cessation.

(O) RIGHTS ON BREACH OF CONTRACT

If the grantee of an Option who is a business or joint venture partner, contractor, agent or representative, consultant, adviser, supplier, producer or licensor, customer, licensee (including any sub-licensee) or distributor, landlord or tenant (including sub-tenant) of the Group ceasing to be an Eligible Participant by reason of breach of contract entered into between such Eligible Participant and the Company, in the absolute determination of the Board, the Option shall lapse on the date of the Board's determination and not be exercisable.

(P) RIGHTS ON A GENERAL OFFER

In the event of a general offer being made to all Shareholders or all such holders other than the offeror and/or person controlled by the offeror and/or any person acting in concert (as defined in the Takeovers Code with the offeror) and such offer becomes or is declared unconditional during the Option Period of the relevant Option, the grantee (or his or her personal representative(s)) shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within thereafter and up to the close of such offer.

(Q) RIGHTS ON WINDING UP

In the event a notice is given by the Company to its members to convene a special general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as it despatches such notice to each member of the Company give notice thereof to all grantees and any grantee (or his or her personal representative(s)) may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price in respect of the relevant Option (such notice shall be received by the Company no later than five (5) Business Days prior to the proposed general meeting)) exercise the Option (to the extent not already exercised) either to its full extent or to the extent that he or she may specify in his or her notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue such number of Shares to the grantee credited as fully paid.

(R) RIGHTS ON RECONSTRUCTION, COMPROMISE OR ARRANGEMENT

If a compromise or arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice to the grantee on the same date as it despatches the notice to each member or creditor of the Company to summon a meeting to consider such a compromise or arrangement, and thereupon the grantee (or his or her personal representative(s)) may by notice in writing to the Company accompanied by a remittance of the full amount of the subscription price in respect of which the notice is given (such notice shall be received by the Company no later than five (5) Business Days prior to the proposed meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in the notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting allot and issue such number of Shares to the grantee credited as fully paid.

(S) CANCELLATION OF OPTIONS

Any Option granted but not exercised may not be cancelled except with the written consent of the relevant grantee and the prior approval of the Directors. Any cancellation of Options granted but not exercised and the issuance of new Options to the same grantee may only be made under the New Share Option Scheme with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit referred to in paragraph (E)(i) above. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

(T) EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserved, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), such corresponding alternations (if any) will be made in:

- (a) the numbers or nominal number of Shares subject to any Options so far as such Option remains unexercised; and/or
- (b) the subscription price per Share as the auditors or independent financial advisers for the time being of the Company shall at the request of the Company or any grantee certify in writing to be in their opinion fair and reasonable; provided that any such alterations shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company to which he or she was entitled before such alteration and the aggregate subscription price payable by the grantee on the full exercise of any Option shall remain as nearly as possible the same as (but not greater than) it was before such event, but no such alterations shall be made the effect of which would enable a Share to be issue at less than its nominal value.

Save for the case of a capitalisation issue, the auditors or independent financial advisers for the time being of the Company must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements.

(U) RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Bye-laws for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date on which the Option is exercised and accordingly will entitle the holders of Shares to participate in all dividends or other distributions paid or made on or after the date on which the Option is exercised other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment.

(V) DURATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall continue in force for the period commencing from the Adoption Date, which is expected to be the date of the AGM, and expiring at the close of business on the date which falls ten (10) years after the Adoption Date, after such period no further Options will be granted but the provisions of the New Share Option Scheme shall remain in full force and effect in respect of any Options granted before its expiry or termination but not yet exercised.

(W) ALTERATIONS TO THE TERMS OF THE NEW SHARE OPTION SCHEME

- (i) The provisions relating to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of Eligible Participants without the prior approval of Shareholders in a general meeting.
- (ii) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by Shareholders, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (iii) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (iv) Any change to the authority of the Directors or the administrator of the New Share Option Scheme in relation to any alteration to the terms of the New Share Option Scheme must be approved by Shareholders in a general meeting.

(X) CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme is conditional upon (i) the passing of an ordinary resolution at a general meeting of the Company to approve the adoption of the New Share Option Scheme; and (ii) the Listing Committee (as defined in the Listing Rules) of the Stock Exchange granting the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

(Y) LAPSE OF OPTIONS

An Option shall lapse automatically (to the extent not already exercised) on the earliest of: (i) the expiry of the Option Period; (ii) the expiry of any of the periods referred to in paragraphs (K) to (R); (iii) the date on which the Directors shall exercise the Company's right to cancel the Option by reason of a breach of paragraph (J) by the grantee of the Option in respect of that or any other Option; and (iv) the date of the commencement of the winding-up of the Company.

(Z) TERMINATION

The Company by ordinary resolution in general meeting may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted prior to such termination. Details of the Options granted, including Options exercised or outstanding, under the New Share Option Scheme shall be disclosed in the circular to Shareholders seeking approval of any subsequent share option scheme to be established after such termination.

(AA) MISCELLANEOUS

The terms of the New Share Option Scheme (and any other schemes adopted by the Company from time to time) shall be in accordance with the requirements set out in Chapter 17 of the Listing Rules.

The Company will comply with the relevant statutory requirements and the Listing Rules from time to time in force on a continuing basis in respect of the New Share Option Scheme and any other schemes of the Company.

Any dispute arising in connection with the number of Shares of an Option and any of the matters referred to in paragraph (T) above shall be referred to the decision of the auditors or the independent financial advisers of the Company who shall act as experts and not as arbitrators and whose decision, in the absence of manifest error, shall be final and conclusive.

NOTICE OF AGM



CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED

中國金融國際投資有限公司

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 721)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of China Financial International Investments Limited (the “**Company**”) will be held at Suite 6504, 65th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 15 December 2017 at 11:00 a.m. for the following purposes:

AS ORDINARY BUSINESSES:

1. To receive and approve the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditor of the Company for the year ended 30 June 2017;
2.
 - (a) To re-elect Mr. Pong Po Lam as executive Director;
 - (b) To re-elect Mr. Zeng Xianggao, who has served the Company for more than nine years, as independent non-executive Director;
 - (c) To re-elect Mr. Li Cailin as independent non-executive Director;
 - (d) To authorise the board of Directors to fix the Directors’ remuneration;
3. To re-appoint Ernst & Young as the auditor of the Company and to authorise the board of Directors to fix its remuneration;

AS ORDINARY RESOLUTIONS:

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

“THAT:

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares of the Company (the “**Shares**”) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF AGM

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
- (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
- (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of resolution no. 5),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 of the Company, the Companies Act 1981 of Bermuda (as amended) (the “**Companies Act**”) or any applicable laws of Bermuda to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

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

“THAT:

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
 - (c) for the purposes of this resolution, **“Relevant Period”** means the period from the date of 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 of the Company, the Companies Act or any applicable laws of Bermuda to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
6. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“THAT the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

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

“**THAT:**

- (a) conditional upon the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the shares of the Company falling to be allotted and issued pursuant to the exercise of any options granted under the new share option scheme (the “**New Share Option Scheme**”) of the Company, the terms of which are set out in the document marked “A” which has been signed by the chairman of this meeting and produced to this meeting for the purpose of identification, the rules of the New Share Option Scheme be and is hereby approved and adopted and the Directors be and are hereby authorised to approve further amendments to the rules of the New Share Option Scheme as may be acceptable or not objected to by the Stock Exchange and to grant options and to allot, issue and deal with any shares of the Company pursuant to the exercise of any options granted thereunder and to take all such steps and to take all such steps as they may consider necessary or expedient to give effect to the New Share Option Scheme; and
- (b) the existing share option scheme of the Company (the “**Existing Share Option Scheme**”) adopted on 15 January 2008 be and is hereby terminated with effect from the date on which the New Share Option Scheme shall become unconditional and effective, and shall cease to have any further effect except that the Existing Share Option Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of any option granted under the Existing Share Option Scheme prior to its termination, or otherwise to the extent as may be required in accordance with the rules of the Existing Share Option Scheme.”

Yours faithfully

For and on behalf of
the board of directors of

China Financial International Investments Limited

Du Lin Dong

Chairman and Chief Executive Officer

Hong Kong, 30 October 2017

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

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

Suite 6504, 65/F
Central Plaza
18 Harbour Road
Wanchai, Hong Kong

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Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or, if he is a holder of more than one Share, more proxies to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he/she/it so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. For determining the entitlement to attend and vote at the annual general meeting, the register of members of the Company will be closed from Tuesday, 12 December 2017 to Friday, 15 December 2017 (both days inclusive), during which period no share transfers will be registered. In order to be eligible to attend and vote at the above annual general meeting, all transfer forms accompanied by relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 11 December 2017.
4. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares of the Company under the Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by shareholders.
5. In relation to proposed resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to the circular of the Company dated 30 October 2017.
6. The above resolutions will be put to vote at the meeting by way of poll.
7. If a typhoon signal no. 8 or above is hoisted or a black rainstorm warning signal is in force at or at any time after 9:00 a.m. on the date of the meeting, the meeting will be adjourned. The Company will post an announcement on the HKEXnews website (www.hkexnews.hk) and the website of the Company (www.irasia.com/listco/hk/cfii) and to notify shareholders of the date, time and place of the adjourned meeting. The meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather conditions bearing in mind their own situations.