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If you are in 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 Chanco International Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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

Resolutions will be proposed at the Annual General Meeting (“AGM”) of Chanco International Group Limited to be held at 3rd Floor, Victory Industrial Building, Nos. 151-157 Wo Yi Hop Road, Kwai Chung, New Territories, Hong Kong on 5 September 2014 at 10:30 a.m. to approve the matters referred to in this circular. The notice convening the AGM is set out on pages 12 to 15 of this circular. Whether or not you are able 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 AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

9 July 2014

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 3rd Floor, Victory Industrial Building, Nos. 151-157 Wo Yi Hop Road, Kwai Chung, New Territories, Hong Kong, on 5 September 2014 at 10:30 a.m. at which the matters set out in the section headed “Notice of Annual General Meeting” will be considered, adopted and/or approved;
“Articles”	the articles of association of the Company;
“associate”	has the same meaning ascribed thereto in Chapter 1 of the Listing Rules;
“Board”	the board of Directors;
“Company”	Chanco International Group Limited;
“Directors”	directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Issue Mandate”	the general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution approving the Issue Mandate;
“Latest Practicable Date”	3 July 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the resolution approving the Repurchase Mandate;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary shares of HK\$0.01 each in the share capital of the Company;

DEFINITIONS

“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Substantial shareholder”	has the same meaning ascribed thereto in Chapter 1 of the Listing Rules; and
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases approved by the Securities and Futures Commission as amended from time to time.

LETTER FROM THE BOARD



CHANCO INTERNATIONAL GROUP LIMITED

卓高國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 264)

Directors:

Chan King Hong Edwin

(Chairman and Chief Executive Officer)

Chan King Yuen Stanley *(Vice Chairman)*

Chan Wai Po Rebecca

Chau Cynthia Sin Ha *JP**

Fong Pui Sheung David *MH**

Or Kam Chung Janson*

* *Independent Non-Executive Directors*

Registered Office:

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal Place of Business

in Hong Kong:

3rd Floor, Victory Industrial
Building

Nos. 151-157 Wo Yi Hop Road

Kwai Chung

New Territories

Hong Kong

9 July 2014

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM for the approval of (i) the grant of the Repurchase Mandate to the Directors; (ii) the grant of the Issue Mandate to the Directors; (iii) extension of the Issue Mandate and; and (iv) re-election of Directors.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed to grant the Repurchase Mandate to the Directors to enable them to repurchase Shares subject to the criteria set out in this circular. Shareholders should note that the maximum number of Shares that may be repurchased under the Repurchase Mandate will be 10% of the Shares in issue as at the date of passing of such resolution. The Repurchase Mandate will remain in effect until whichever is the earliest of (a) the date of the next annual general meeting, (b) the date on which the next annual general meeting is required to be held by any applicable laws of the Cayman Islands or the Articles or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in pages 7 to 9 of this circular.

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed to grant the Issue Mandate to the Directors to allot, issue and deal with, otherwise than by way of rights issue or any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares in the Company or any shares of the Company issued as scrip dividends pursuant to the memorandum and articles of association of the Company, new shares with an aggregate nominal value not exceeding 20% of the aggregate of the total nominal value of the share capital of the Company in issue on the date of the resolution approving the Issue Mandate. Subject to the passing of the proposed resolution, the Company would be allowed under the Issue Mandate to issue a maximum of 63,760,800 Shares on the basis of a total of 318,804,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased prior to the AGM. The Issue Mandate will remain in effect until whichever is the earliest of (a) the date of the next annual general meeting, (b) the date on which the next annual general meeting is required to be held by any applicable laws of the Cayman Islands or the Articles or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

EXTENSION OF THE GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed that the Issue Mandate be extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company pursuant to the Repurchase Mandate provided that such extended amount will not exceed 10% of the aggregate nominal value of the share capital of the Company in issue on the date of the resolution approving the Issue Mandate.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 87 of the Articles, Ms. Chan Wai Po Rebecca and Mr. Or Kam Chung Janson shall retire from office by rotation in the forthcoming AGM and, being eligible, offer themselves for re-election. Details of Ms. Chan Wai Po Rebecca and Mr. Or Kam Chung Janson which are required to be disclosed by the Listing Rules are set out in the Appendix to this circular.

Pursuant to Appendix 14 to the Listing Rules, serving more than nine years could be relevant to the determination of a non-executive director's independence. If an independent non-executive director serves more than nine years, his/her further appointment should be subject to a separate resolution to be approved by shareholders. The papers to shareholders accompanying that resolution should include the reasons why the Board believes he/she is still independent and should be re-elected.

Mr. Or Kam Chung Janson ("Mr. Or") has been appointed as an independent non-executive Director for more than nine years. He does not have any management role in the Group and he has no relationship with any other Directors, senior management, substantial or controlling shareholders of the Company.

The Company received from Mr. Or a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. In this regard, the Board is satisfied that Mr. Or is a person of integrity and stature and believes that his re-appointment allows the Board as well as the Group to continuously benefit from the sharing of his invaluable experience, contribution and participation. Also, the Board is of the view that Mr. Or is independent in accordance with the independence guidelines. Therefore, the Board recommended the re-appointment and re-election of Mr. Or as an independent non-executive Director in the AGM.

AGM

A notice of the AGM is set out on pages 12 to 15 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the grant of the Repurchase Mandate and the Issue Mandate to the Directors, the extension of the Issue Mandate and the re-election of Directors.

Whether or not you are able 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 AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the AGM will demand a poll for each and every resolution put forward at the AGM pursuant to Article 66 of the Articles. The Company will appoint Computershare Hong Kong Investor Services Limited, the Hong Kong branch share registrar of the Company, as the scrutineer to handle the vote-taking procedures at the AGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider that the Repurchase Mandate, the Issue Mandate, the extension of the Issue Mandate and the re-election of retiring Directors are in the best interests of the Company and its Shareholders and so recommend you to vote in favour of such resolutions at the forthcoming AGM.

Yours faithfully

For and on behalf of the Board

Chanco International Group Limited

Chan King Hong Edwin

Chairman

EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

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

1. EXERCISE OF THE REPURCHASE MANDATE

It is proposed under the Repurchase Mandate that authority be given to the Directors to exercise the powers of the Company to repurchase up to 10% of the issued share capital of the Company as at the date of the passing of the resolution for approving the Repurchase Mandate. As at the Latest Practicable Date, the total number of issued Shares was 318,804,000. Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares would be issued or repurchased after the Latest Practicable Date and up to the date of passing of such resolution, the Directors would be authorised to repurchase up to 31,880,400 Shares (being 10% of the Shares in issue) during the period up to (a) the next annual general meeting of the Company or (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or its Articles to be held or (c) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

2. REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, enhance the net assets value of the Company and/or earnings per Share.

3. GENERAL

As compared with the financial position of the Company as at 31 March 2014 (being the date of its latest published audited accounts), the Directors consider that there will be no 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. The Directors confirm that no purchase would be made to such extent as would have a material adverse impact on the working capital or gearing position of the Company.

4. FUNDING OF REPURCHASES

The Company is empowered by its memorandum and articles of association and the applicable laws of the Cayman Islands to purchase its Shares. The Cayman Islands law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of the fund of the Company that would otherwise be legally available for dividend or distribution or out of the share premium account of the Company for such purpose under the laws of the Cayman Islands. Under the Cayman Islands law, the shares so repurchased will be treated as cancelled but the aggregate amount of authorized share capital will not be reduced so that the shares may be subsequently re-issued.

EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the associates (as defined in the Listing Rules) of any of the Directors has any present intention, in the event that the proposed Repurchase Mandate is approved by Shareholders, to sell Shares to the Company.

As at the Latest Practicable Date, no connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that Repurchase Mandate is granted.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

7. EFFECT OF TAKEOVERS CODE

If as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of a company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a shareholder, or a group of shareholders acting in concert (within the meaning under the Takeovers Code), could obtain or consolidate control of the company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Prevail Assets Limited and Smarty Worldwide Limited (which are wholly and beneficially owned by Ms. Chan Wai Po Rebecca and Mr. Chan Woon Man respectively) held approximately 12.30% and 12.30% in the total issued share capital of the Company respectively and Mr. Chan King Hong Edwin and Mr. Chan King Yuen Stanley directly and indirectly held approximately 17.32% and 22.47% in the total issued share capital of the Company respectively. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the shareholding of the aforesaid Shareholders who are taken to be acting in concert would be increased from approximately 64.39% to approximately 71.53% of the issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate. The Directors have no intention to exercise the Repurchase Mandate to such an extent that the number of Shares in the hands of the public falling below the prescribed minimum percentage (under the Listing Rules) of 25%.

8. SHARE PURCHASE MADE BY THE COMPANY

During each of six months preceding the Latest Practicable Date, no Shares have been repurchased by the Company.

EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

9. SHARE PRICES

During the previous twelve months, the highest and lowest prices at which the Shares were traded on the Stock Exchange were as follows:-

Months	PER SHARE	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
July	0.340	0.295
August	0.370	0.305
September	0.375	0.310
October	0.440	0.320
November	0.430	0.355
December	0.630	0.400
2014		
January	0.720	0.500
February	0.660	0.520
March	0.710	0.500
April	0.610	0.530
May	0.580	0.500
June	0.560	0.490
July (up to the Latest Practicable Date)	0.510	0.500

The following are the particulars of the Directors to be retired and proposed to be re-elected at the AGM:

Ms. CHAN Wai Po Rebecca, aged 50, is executive director of the Company who joined the Group in 1986. Ms. Chan is responsible for production planning and control, labour training and overall management of the Group's production facilities in Dongguan, the PRC. She has over 24 years of experience in the manufacturing of leather goods, production system design and quality assurance system management. She graduated from Tunghai University in Taiwan with a Bachelor's degree in Business Administration in 1986. Ms. Chan is currently also a director of several subsidiaries of the Company.

Ms. Chan is the sister of Mr. Chan King Hong, Edwin, (executive director and substantial shareholder of the Company), Mr. Chan King Yuen, Stanley, (executive director and substantial shareholder of the Company) and Ms. Chan Wai Foon (senior management of the Group), the sister-in-law of Ms. Li Shuk Han (senior management of the Group) and the daughter of Mr. Chan Woon Man (substantial shareholder of the Company) Save as disclosed herein, Ms. Chan does not have any other relationships with any Directors, senior management, substantial or controlling shareholders of the Company.

Ms. Chan entered into a service contract with the Company for an initial term of two years commencing from 1 March 2003, which is renewable automatically for successive terms of one year, until terminated by not less than six months' notice in writing served by either party on the other and is also subject to the requirements for retirement and re-election at the annual general meeting of the Company under the Articles of Association. Ms. Chan is entitled to receive a monthly remuneration of HK\$194,000. Such emoluments are covered in her service contract with the Company. The emoluments of Ms. Chan are determined by the Board and remuneration committee of the Company with reference to her performance and contribution to the Group and also the terms of reference of the remuneration committee adopted by the Company. Ms. Chan, together with other executive Directors, is entitled to a discretionary management bonus provided that the aggregate amount of the discretionary bonus payable to all the executive Directors for any financial year may not exceed 10% of the audited consolidated profit before payment of such bonus, taxation, minority interests and extraordinary items of the Group (if any) in respect of that financial year.

As at the Latest Practicable Date, Ms. Chan was interested in 39,204,648 Shares and 8,700,000 number of share options within the meaning of Part XV of the SFO. Save as disclosed above, Ms. Chan did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange or other major appointments or professional qualifications during the three years preceding the Latest Practicable Date.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2) of the Listing Rules.

Mr. OR Kam Chung, Janson, aged 44, is an independent non-executive director of the Company. Mr. Or is a practising Certified Public Accountant in Hong Kong. Mr. Or is also a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and an associate member of the Hong Kong Institute of Certified Public Accountant. Mr. Or obtained a Higher Diploma in Accountancy from the City University of Hong Kong in 1995. Mr. Or has over 18 years of experience in auditing, accounting, taxation and company secretary with public accounting firms. Mr. Or is the co-founder of a public accounting firm, KCPS & Partners Certified Public Accountants, and is now a practising partner of the firm. Mr. Or was appointed as the independent non-executive director of the Company in June 2004.

Mr. Or entered into service contract with the Company for an initial term of two years commencing from 16 June 2004, which can be terminated by either party by giving to other party not less than three months' written notice without payment of compensation (other than statutory compensation) and is also subject to the requirements for retirement and re-election at the annual general meeting of the Company under the Articles of Association. On 7 May 2014, his appointment was renewed for another two year terms expiring on 15 June 2016. Mr. Or is entitled to receive HK\$50,000 as annual director fee. Such emoluments are covered in his appointment letter with the Company. The emoluments of Mr. Or are determined by the Board with reference to the director fee paid by other listed companies in Hong Kong to independent non-executive directors.

Save as disclosed above, Mr. Or is not connected with any directors, senior management, substantial shareholders or controlling shareholders of the Company or an associate of any of them. Save as disclosed above, Mr. Or did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange or other major appointments or professional qualifications during the three years preceding the Latest Practicable Date. Save as disclosed above, Mr. Or was not interested or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the SFO as at the Latest Practicable Date.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



CHANCO INTERNATIONAL GROUP LIMITED

卓高國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 264)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Chanco International Group Limited (the “Company”) will be held at 3rd Floor, Victory Industrial Building, Nos. 151-157 Wo Yi Hop Road, Kwai Chung, New Territories, Hong Kong, at 10:30 a.m. on 5 September 2014 for the following purposes:–

AS ORDINARY BUSINESS

1. To receive and consider the audited financial statements and the reports of the directors and the auditor for the year ended 31 March 2014.
2. (a) To re-elect Ms. Chan Wai Po Rebecca as executive director;
- (b) To re-elect, approve and confirm the continuous appointment of Mr. Or Kam Chung Janson who has already served the Company for more than nine years as an independent non-executive director; and
- (c) To authorise the board of directors to fix the remuneration of the directors.
3. To re-appoint auditor and to authorize the board of directors to fix its remuneration.

AS SPECIAL BUSINESS

ORDINARY RESOLUTIONS

4. To consider, and if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:–

“THAT:

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this resolution shall authorize the directors of the Company 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;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than by way of a Rights Issue (as hereinafter defined) or any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares in the Company or any shares of the Company issued as scrip dividends pursuant to the memorandum and articles of association of the Company, shall not exceed 20% of the aggregate of the total nominal value of the share capital of the Company in issue on the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:–

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

- (i) the date of the next annual general meeting of the Company;
- (ii) the date on which the next annual general meeting of the Company is required to be held by law or the articles of association of the Company; and
- (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company.

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

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

NOTICE OF ANNUAL GENERAL MEETING

“THAT:–

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period of all powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (“Stock Exchange”), subject to and in accordance with all applicable laws and rules, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period 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 earliest of:–

- (i) the date of the next annual general meeting of the Company;
 - (ii) the date on which the next annual general meeting of the Company is required to be held by law or the articles of association of the Company; and
 - (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company.”
6. To consider, and if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:–

“THAT conditional upon resolution nos. 4 and 5 above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the directors of the Company as mentioned in resolution no. 5 above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution no. 4 above.”

By Order of the Board
Lau Wai Hung
Company Secretary

Hong Kong, 9 July 2014

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

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

Principal place of business in Hong Kong:

3rd Floor, Victory Industrial Building
Nos. 151-157 Wo Yi Hop Road
Kwai Chung
New Territories
Hong Kong

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 more proxy to attend and, subject to the provisions of the articles of association 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 and the power of attorney (if any), under which it is signed or a certified copy thereof, must be lodged, at the offices of the Company's Hong Kong branch share registrars, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. Completion and return of a form of proxy will not preclude members of the Company from attending and voting in person at the annual general meeting or any adjournment thereof should they so wish and in such event, the form of proxy shall be deemed to be revoked.
4. Where there are joint registered holders of any Shares, any one of such persons may vote at the annual general meeting, either personally or by proxy, in respect of such Shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the annual general meeting personally or by proxy, that one of the said person as present whose name stands first on the register in respect of such Share shall alone be entitled to vote in respect thereof.
5. The Register of Members of the Company will be closed from 3 September 2014 to 5 September 2014, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending the forthcoming Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 2 September 2014.