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If you have sold or transferred all your shares in Enterprise Development Holdings Limited (the "Company"), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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ENTERPRISE DEVELOPMENT HOLDINGS LIMITED
企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

(1) PROPOSED REFRESHMENT OF GENERAL MANDATE
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



中州國際融資有限公司
Central China International Capital Limited

A letter from the Board is set out on pages 4 to 14 of this circular and a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 15 of this circular. A letter from the Independent Financial Adviser containing its recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 16 to 28 of this circular.

A notice convening the EGM to be held at 9:00 a.m. on 9 March 2016 at 35th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong is set out on pages EGM-1 to EGM-3 of this circular. Whether or not you intend to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the EGM or any adjourned meeting thereof should you so wish.

22 February 2016

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 21 May 2015
“Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Enterprise Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the main board of the Stock Exchange
“connected person(s)”	the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Refreshment of General Mandate
“Existing General Mandate”	the general mandate granted by the Shareholders at the Previous EGM to the Directors to allot, issue and deal with up to a maximum of 580,451,965 Shares
“First General Mandate”	the general mandate granted by the Shareholders at the AGM to the Directors to allot, issue and deal with up to a maximum of 483,711,965 Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors of the Company to advise the Independent Shareholders as to, <i>inter alia</i> , the fairness and reasonableness of the Refreshment of General Mandate
“Independent Financial Adviser” or “Central China”	Central China International Capital Limited (formerly known as Pan Asia Corporate Finance Limited), a licensed corporation under the SFO licensed to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Refreshment of General Mandate
“Independent Shareholder(s)”	any Shareholders other than controlling Shareholders of the Company and their associates or, if there are no controlling Shareholders, any Shareholders other than Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates who shall hold Shares as at the date of the EGM
“Independent Third Parties”	any person who himself is, and (in the case of corporate entity) its ultimate beneficial owners are, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, third parties independent of the Company and its connected persons
“Latest Practicable Date”	17 February 2016, being the latest practicable date before the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New General Mandate”	the general mandate proposed to be sought at the EGM to authorise the Directors to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of the EGM

DEFINITIONS

“Placing 1”	placing of 483,700,000 Shares pursuant to the terms and conditions of the placing agreement entered by the Company dated 28 May 2015
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous EGM”	the extraordinary general meeting of the Company held on 6 August 2015
“Previous Placing”	placing of 580,450,000 Shares pursuant to the terms and conditions of the placing agreement entered by the Company dated 15 December 2015
“Refreshment of General Mandate”	the proposed refreshment of the Existing General Mandate and grant of the New General Mandate
“SFO”	Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the Company of HK\$0.01 each
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED
企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

Executive Directors:

Mr. Lam Kai Tai (*Chairman*)

Mr. Kwok Ho On Anthony

Mr. Wang Jun

Mr. Wong Ho Sing

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-executive Directors:

Mr. Yau Yan Ming Raymond

Ms. Hu Gin Ing

Mr. Liu Kam Lung

Principal place of business in

Hong Kong:

Room 2810, 28th Floor

West Tower, Shun Tak Centre

200 Connaught Road Central

Hong Kong

22 February 2016

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED REFRESHMENT OF GENERAL MANDATE
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders, among other things, (i) further details of the Refreshment of General Mandate; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders with regard to the Refreshment of General Mandate; (iii) the recommendation from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders with regard to the Refreshment of General Mandate; and (iv) a notice of the EGM.

LETTER FROM THE BOARD

PROPOSED REFRESHMENT OF GENERAL MANDATE

First General Mandate

At the AGM, the then Shareholders approved, among other things, an ordinary resolution to grant to the Directors the First General Mandate to issue, allot and deal with up to 483,711,965 Shares, which is equivalent to 20% of the then issued share capital of the Company as at the date of passing of the resolution at the AGM.

On 28 May 2015, the Company entered into a placing agreement in relation to the Placing 1 of 483,700,000 new Shares at a placing price of HK\$0.25 per new Share. The Placing 1 was completed on 17 June 2015. Accordingly, 483,700,000 new Shares were successfully placed and the net proceeds from the Placing 1 amounting to approximately HK\$117.2 million was received by the Company. On 17 June 2015, notice was served by the Group to the holder of the promissory notes with aggregate principal amount of HK\$160 million (the "PNs") for early redemption of the PNs in principal amount of HK\$110 million (the "**1st Early Redemption of PNs**") together with accrued interest thereupon. The 1st Early Redemption of PNs was completed on 17 June 2015. The net proceeds from the Placing 1 has been used as to (i) approximately HK\$110.6 million for the 1st Early Redemption of PNs together with accrued interest thereupon; (ii) approximately HK\$4.9 million had been utilized for general working capital of the Group including (a) HK\$1.7 million for staff salaries and Directors' fees; (b) HK\$1.7 million for rental and operating expenses; and (c) HK\$1.5 million for legal and professional fees; and (iii) the remaining balance of approximately HK\$1.7 million is intended to be used for general working capital of the Group (including trading of securities).

As a result of completion of Placing 1, the First General Mandate had almost been fully utilized and the First General Mandate was then refreshed at the Previous EGM granting the Directors the Existing General Mandate.

Existing General Mandate

At the Previous EGM, the then Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Existing General Mandate to issue, allot and deal with up to 580,451,965 Shares, which is equivalent to 20% of the then issued share capital of the Company as at the date of passing of the resolution at the Previous EGM.

On 15 December 2015, the Company entered into a placing agreement in relation to the Previous Placing of 580,450,000 new Shares at a placing price of HK\$0.098 per new Share. The Previous Placing was completed on 5 January 2016. Accordingly, 580,450,000 new Shares were successfully placed and the net proceeds from the Previous Placing amounting to approximately HK\$54.9 million was received by the Company. On 8 January 2016, notice was served by the Group to the holder of the promissory notes with outstanding principal amount of HK\$50 million (the "**Remaining PNs**") for early redemption of the Remaining PNs in part in principal amount of HK\$40 million (the "**2nd Early Redemption of PNs**") together with accrued interest thereupon. The 2nd Early Redemption of PNs was completed on 8 January 2016. The net proceeds from the Previous Placing has been used as to (i) approximately HK\$41.5 million for the 2nd Early

LETTER FROM THE BOARD

Redemption of PNs together with accrued interest thereupon; and (ii) the remaining balance of approximately HK\$13.4 million is intended to be used for general working capital of the Group.

As at the Latest Practicable Date, as a result of completion of the Previous Placing, the Existing General Mandate had been almost fully utilized.

The Company has not made any refreshment of the Existing General Mandate since the Previous EGM up to the Latest Practicable Date. Accordingly, after the issue of the aforesaid Shares as a result of the Previous Placing, only 1,965 new Shares may be further allotted and issued under the Existing General Mandate.

Proposed Refreshment of General Mandate

The Company will convene the EGM at which an ordinary resolution will be proposed to the Independent Shareholders that the Directors be granted the general mandate to allot and issue Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant ordinary resolution at the EGM.

Based on 3,482,709,827 Shares in issue as at the Latest Practicable Date and assuming that there are no changes in the issued share capital of the Company from the Latest Practicable Date up to the date of the EGM, subject to the passing of the relevant ordinary resolution to approve the Refreshment of General Mandate at the EGM, the Directors will be authorised to allot and issue up to 696,541,965 new Shares under the New General Mandate, being 20% of the total number of Shares in issue as at the Latest Practicable Date.

The New General Mandate will expire at the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the date by which the next annual general meeting of the Company is required by the Articles of Association or the applicable laws of the Cayman Islands to be held; 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 prior to the next annual general meeting of the Company.

Reasons for Refreshment of General Mandate

The Group is principally engaged in provision of integrated business software solutions, trading of listed securities, and mobile marketing.

As a result of the Previous Placing, the Existing General Mandate has been almost fully utilized and only 1,965 new Shares may be further allotted and issued under the Existing General Mandate. The next annual general meeting of the Company will only be held until around late May 2016, which is around three months from the date of this circular.

The Directors consider that Refreshment of General Mandate would provide the Group with the necessary flexibility to (i) fulfill any possible funding needs for future business development and/or investment decisions which may arise at any time; (ii)

LETTER FROM THE BOARD

strengthen the capital base of the Company; and (iii) have an option to consider issue of consideration shares as one of the settlement means in an acquisition as and when the Directors consider to be appropriate should suitable opportunities arise in the future. In addition, the Directors regarded equity financing as an important avenue of resources to the Group since it does not create any interest paying obligations on the Group.

The Directors consider that funding requirements or appropriate investment opportunities may arise at any time prior to the next annual general meeting and investment decisions may have to be made within a limited period of time in such event. Therefore, the Board is now proposing to seek the approval of Independent Shareholders at the EGM for the Refreshment of General Mandate such that, should attractive terms for investment in the Shares become available from potential investors or investment opportunities arise, the Board would be able to respond to the market promptly as fund raising exercise pursuant to a general mandate provides the Company with a simpler and less lead time process than other types of fund raising exercises as well as to avoid the uncertainties in such circumstances that specific mandate may not be obtained in a timely manner.

In addition, in case the Group has identified suitable investment targets, it may have the option to utilise the New General Mandate to issue Shares for settling the considerations. As disclosed in the Company's announcement dated 25 November 2015, the Group entered into a memorandum of understanding (the "MOU") regarding the possible acquisition of a target which has certain business operation of intellectual property right in relation to song/music within the PRC (the "**Possible Acquisition**"). The MOU has an exclusive period of six months. Notwithstanding the fact that the Possible Acquisition is still in the preliminary stage, it may materialize at any time during the six-month exclusivity period of the MOU. In the event that the negotiation in respect of the terms of the Possible Acquisition are finalized prior to the end of the exclusivity period, being in late May 2016 which is before the next annual general meeting, there may be a funding need for the Group's investments as the vendor may request the Company to pay a refundable deposit in relation to the Possible Acquisition. There is no certainty that adequate cash resources or other financing alternatives will be available for the Possible Acquisition and/or appropriate investment opportunities that may be identified by the Company in the future. If the Company does not have sufficient cash or financing resources on hand, the Company may not be able to capture possible business opportunities for its future development. The Possible Acquisition is subject to the negotiation and entering into of a formal agreement. As at the Latest Practicable Date, save for the Possible Acquisition, the Group has not identified and is not in negotiation with any specific investment targets.

Apart from equity financing, the Directors will also consider other financing methods such as rights issue, open offer and debt financing, if appropriate, so as to meet its financing requirements arising from any future development of the Group. Rights issue and open offer usually takes two to three months to raise funds and it may not allow the Company to grasp potential opportunities in a timely manner. In addition, with reference to recent pre-emptive fund raising activities by companies listed on the Stock Exchange, rights issues and open offers will incur underwriting commission in the range of around 2% to 3.5% in general. Usually, pre-emptive issue requires to be fully underwritten while

LETTER FROM THE BOARD

placing activities could be carried out on a best-effort basis. In this connection, there is no guarantee that the Group will be able to procure commercial underwriting for pre-emptive issue at more favourable terms in a timely manner as compared with placing activities for financing future funding requirements of the Group, given that determination of underwriting commission will be subject to the then prevailing market condition, financial condition of the Group and proposed fund raising scale of the pre-emptive issue. Furthermore, documentation involves in rights issues and open offers will be more complicated as compared with placing exercises as it will involve extra administrative work for preparation and issue of prospectus and related documents and application forms for acceptance of the pre-emptive issues and appointment of reporting accountants to report on unaudited pro forma financial information to be included in the prospectus. Pre-emptive issues will inevitably be more costly than placing exercises given that additional professional fees and other expenses of approximately HK\$2 million to HK\$3 million will be incurred for including but not limited to (i) appointing reporting accountants; (ii) obtaining legal advice in connection with the pre-emptive issues, such as feasibility of extending pre-emptive issues to overseas Shareholders; (iii) engaging other professional parties, such as financial adviser, independent financial adviser, share registrar, financial printer; (iv) printing charges in connection with the dispatch of prospectus and related documents and application forms; and (v) costs associated with trading arrangements of pre-emptive issues. Although rights issues and open offers would be offered to the Shareholders on a pro rata entitlement basis which the qualifying shareholders are given a choice to take up or give up or sell their entitlements, there is uncertainty of the existence of a market to trade the nil-paid rights. It is also uncertain whether the qualifying shareholders would reserve funding for further investment in the Shares in case of a pre-emptive issue and whether such further investment in the Shares would be in line with the then investment objectives of those qualifying shareholders. For those qualifying shareholders who choose not to take up their assured entitlements in full would have dilution to their shareholding interests in the Company. Debt financing will usually incur interest burden on the Group and may be subject to, including but not limited to, lengthy due diligence and negotiations with the banks which involve providing documents for credit evaluation procedures by the banks before entering into any debt financing agreement. The Directors believe that the grant of New General Mandate is more cost-effective, efficient and less time consuming and will enhance the Company's financial flexibility (without restricting its ability to conduct rights issue or open offer) to expand and develop the business of the Company.

As at the Latest Practicable Date, the Company is not considering or in negotiation of any fund raising activities, and it does not have any immediate plans for any new issue of Shares under the New General Mandate.

The Directors note that the utilisation of the refreshed New General Mandate will have potential dilution impact on the shareholding of the Shareholders. However, potential business investment opportunities may arise at any time, it is crucial for the Group to have the ability to respond to the changing market conditions in a timely manner and to provide the Group with the flexibility to have immediate access to cash resources at reasonable costs as assessed by the Directors from time to time (with reference to the then available financing options, the costs associated with those available financing options

LETTER FROM THE BOARD

and potential return of investment opportunities) for appropriate business investment opportunities. Taking into account the volatility of the market, the Company may fail to seize and capitalise on potential investment opportunities if it has to wait until the next annual general meeting for the Refreshment of General Mandate given that in most cases parties to a transaction prefer to look for quick completion of their deals.

Based on the foregoing, the Directors consider that the Refreshment of General Mandate is in the interest of the Company and the Shareholders as a whole. Therefore, the Board proposes to seek the approval of the Independent Shareholders for the Refreshment of General Mandate at the EGM.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The following table summarises the fund raising activities by the Company in the past twelve months immediately prior to the Latest Practicable Date:

Date of announcement	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds
15 December 2015 and 5 January 2016	Previous Placing	HK\$54.9 million	General working capital of the Group and for funding investment opportunities as may be identified from time to time	(i) approximately HK\$41.5 million has been used for the 2nd Early Redemption of PNs and accrued interest; and (ii) approximately HK\$13.4 million is maintained at bank for general working capital of the Group
28 May 2015 and 17 June 2015	Placing 1	HK\$117.2 million	General working capital of the Group (including trading of securities)	(i) approximately HK\$110.6 million has been used for the 1st Early Redemption of PNs and accrued interest;

LETTER FROM THE BOARD

Date of announcement	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds
				<p>(ii) Approximately HK\$4.9 million had been utilized for general working capital of the Group including (a) HK\$1.7 million for staff salaries and Directors' fees; (b) HK\$1.7 million for rental and operating expenses; and (c) HK\$1.5 million for legal and professional fees; and</p> <p>(iii) the remaining balance of approximately HK\$1.7 million is maintained at bank for general working capital of the Group (including trading of securities)</p>

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

In view of the above, the Directors consider that the Refreshment of General Mandate is in the best interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

SHAREHOLDING DILUTION EFFECTS AND CUMULATIVE DILUTION EFFECTS OF FUND RAISING ACTIVITIES OVER THE PAST 12 MONTHS AND THE POTENTIAL DILUTION EFFECTS OF THE NEW GENERAL MANDATE

The Group conducted two fund raising activities over the 12 months preceding the Latest Practicable Date, namely Placing 1 and Previous Placing. According to the announcement of the Company dated 28 May 2015 in relation to Placing 1 (being placing of 483,700,000 Shares under general mandate), immediately prior to completion of Placing 1, public shareholders of the Company held 1,558,822,520 Shares, representing approximately 64.5% (the “**Initial Public Shareholding**”) of the then total number of issued Shares, being 2,418,559,827 Shares. After Placing 1, the Previous Placing (being placing of 580,450,000 Shares under general mandate) was announced on 15 December 2015. The dilution effects of each respective fund raising activity in the 12 months preceding the Latest Practicable Date and the potential dilution effects of the New General Mandate and cumulative dilution effects are set out below:

	Total no. of Shares	Initial Public Shareholding (being 1,558,822,520 Shares) to total no. of Shares Approximate %	Dilution effects of each respective fund raising activity	Cumulative dilution effects
Immediately prior to completion of Placing 1	2,418,559,827	64.5%	N/A	N/A
Immediately after completion of Placing 1	2,902,259,827	53.7%	16.7%	16.7%
Immediately after completion of Previous Placing	3,482,709,827	44.8%	16.7%	30.6%
Immediately after full utilization of the New General Mandate	4,179,251,792	37.3%	16.7%	42.1%

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) for illustrative purposes only, upon full utilisation of the New General Mandate (assuming no further Share being issued or repurchased by the Company):

Shareholders	As at		Upon full utilisation of the	
	the Latest Practicable Date		New General Mandate	
	<i>Approximate</i>		<i>Approximate</i>	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Affluent Start Holdings Limited (<i>Note</i>)	604,355,000	17.35	604,355,000	14.46
Public Shareholders				
Other public Shareholders	2,878,354,827	82.65	2,878,354,827	68.87
Shares to be issued under the New General Mandate	–	–	696,541,965	16.67
Total	<u>3,482,709,827</u>	<u>100.00</u>	<u>4,179,251,792</u>	<u>100.00</u>

Note:

Affluent Start Holdings Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. King Pak Fu.

As at the Latest Practicable Date, the Company does not have any outstanding options, warrants, convertible securities or other rights to subscribe for Shares.

GENERAL

Pursuant to Rule 13.36(4)(a) of the Listing Rules, the Refreshment of General Mandate requires the approval of the Independent Shareholders at the EGM, any controlling Shareholders and their associates, or where there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates, shall abstain from voting in favour of the relevant resolution to approve the Refreshment of General Mandate.

As at the Latest Practicable Date, there is no controlling Shareholder. As at the Latest Practicable Date, none of the Directors nor the chief executive of the Company and their respective associates, hold any Shares and none of the Shareholders are required to abstain from voting in favour of the proposed resolution approving the Refreshment of General Mandate at the EGM.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of 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. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Mr. Yau Yan Ming Raymond, Ms. Hu Gin Ing and Mr. Liu Kam Lung, being the independent non-executive Directors, has been formed to advise the Independent Shareholders in relation to the Refreshment of General Mandate. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

EGM

The EGM will be convened and held at 9:00 a.m. on 9 March 2016 at 35th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong, for the purpose of considering and, if thought fit, approving the Refreshment of General Mandate. To the best knowledge of the Board, no Shareholder is required to abstain from voting in favour of the resolution to approve the Refreshment of General Mandate at the EGM.

The notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company's branch share registrar in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible but in an event not less than 48 hours before the time scheduled for the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the EGM or any adjourned meeting should you so wish.

RECOMMENDATION

The Board is of the opinion that the Refreshment of General Mandate is fair and reasonable and is in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders to vote in favour of the ordinary resolution approving the Refreshment of General Mandate to be proposed at the EGM.

Your attention is drawn to the letter from the Independent Board Committee containing its recommendation to the Independent Shareholders as set out on page 15 of this circular and the letter from the Independent Financial Adviser containing its recommendation to the Independent Shareholders and the principal factors which it has considered in arriving at its recommendation with regard to the Refreshment of General Mandate, as set out on pages 16 to 28 of this circular.

LETTER FROM THE BOARD

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 Group. 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.

GENERAL INFORMATION

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear.

Yours faithfully,
By Order of the Board
Enterprise Development Holdings Limited
Lam Kai Tai
Chairman



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED

企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

22 February 2016

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED REFRESHMENT OF GENERAL MANDATE

We refer to the circular of the Company to the Shareholders dated 22 February 2016 (the “**Circular**”) of which this letter forms part. Capitalised terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We have been appointed by the Board as members to constitute the Independent Board Committee and to advise the Independent Shareholders in respect of the Refreshment of General Mandate which will enable the Board to exercise the power of the Company to allot, issue and deal with the new Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the EGM.

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the Refreshment of General Mandate is fair and reasonable as far as the Independent Shareholders are concerned and whether it is in the interests of the Company and the Shareholders as a whole. Details of its recommendation, together with the principal factors and reasons taken into consideration in arriving at such recommendation, are set out on pages 16 to 28 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 4 to 14 of the Circular.

Having considered the Refreshment of General Mandate and the recommendation of the Independent Financial Adviser, we consider that the Refreshment of General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Refreshment of General Mandate.

Yours faithfully,

For and on behalf of the Independent Board Committee

Mr. Yau Yan Ming Raymond

Ms. Hu Gin Ing

Mr. Liu Kam Lung

Independent non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER



Central China International Capital Limited
Unit 1504, 15th Floor
The Center
99 Queen's Road Central
Central
Hong Kong

22 February 2016

To: The Independent Board Committee and the Independent Shareholders

Dear Sirs,

PROPOSED REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Refreshment of General Mandate, details of which are set out in the letter from the Board (the "**Letter from the Board**"), which is contained in the circular (the "**Circular**") of the Company to the Shareholders dated 22 February 2016, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the content otherwise requires.

Pursuant to Rule 13.36(4)(a) of the Listing Rules, the Refreshment of General Mandate requires the approval of the Independent Shareholders at the EGM. Any controlling Shareholders and their associates, or where there is no controlling Shareholder, the Directors (excluding independent non-executive Directors), the chief executive of the Company and their respective associates, shall abstain from voting in favour of the relevant resolution to approve the Refreshment of General Mandate.

As at the Latest Practicable Date, there is no controlling Shareholder. As at the Latest Practicable Date, none of the Directors nor the chief executive of the Company and their respective associates, hold any Shares and none of the Shareholders are required to abstain from voting in favour of the proposed resolution approving the Refreshment of General Mandate at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of 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. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising Mr. Yau Yan Ming Raymond, Ms. Hu Gin Ing and Mr. Liu Kam Lung, being the independent non-executive Directors, has been formed to advise the Independent Shareholders in relation to the Refreshment of General Mandate. We, Central China International Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR QUALIFICATIONS AND INDEPENDENCE

Central China (formerly known as Pan Asia Corporate Finance Limited) was engaged to act as the independent financial adviser to the independent board committee and the independent shareholders of the Company in a transaction before, details of which are summarised in the following table:

Date	Type of transaction	Details of work performed	Result
18 June 2015	proposed refreshment of general mandate	please refer to pages 13–25 of the Company’s circular dated 21 July 2015	approved by the Company’s independent shareholders at an extraordinary general meeting held on 6 August 2015

Notwithstanding that we took on the above engagement within two years of acting as the Independent Financial Adviser in the current transaction, we are not associated with the Company’s Directors, substantial Shareholders and their associates, and we are of the view that we meet the independence guidelines as set out in Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date.

We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided

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to us. Our opinion is based on the Directors' representation and confirmation that there are no undisclosed private agreements/arrangements or implied understandings with anyone concerning the Refreshment of General Mandate. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, to the best of their knowledge and belief, the information contained in the 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 in the Circular or the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, or its subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Refreshment of General Mandate. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Central China to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Refreshment of General Mandate, we have taken into consideration the following principal factors and reasons:

1. Background information on the Refreshment of General Mandate

The Group is principally engaged in provision of integrated business software solutions, trading of listed securities, and mobile marketing.

At the Previous EGM, the then Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Existing General Mandate to allot, issue and deal with up to 580,451,965 Shares, which was equivalent to 20% of then issued share capital of the Company as at the date of passing of the resolution at the Previous EGM. It followed that, on 15 December 2015, the Company entered

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into a placing agreement in relation to the Previous Placing which raised net proceeds of approximately HK\$54.9 million in which (i) approximately HK\$41.5 million was used for the 2nd early redemption of promissory notes (the “**2nd Early Redemption of PNs**”) together with accrued interest thereupon; and (ii) the remaining balance of approximately HK\$13.4 million was intended to be used for general working capital of the Group.

As at the Latest Practicable Date, as a result of completion of the Previous Placing, the Existing General Mandate has been almost fully utilised. The Company has not made any refreshment of the Existing General Mandate since the Previous EGM up to the Latest Practicable Date. Accordingly, after the issue of the aforesaid Shares as a result of the Previous Placing, only 1,965 new Shares may be further allotted and issued under the Existing General Mandate. The next annual general meeting of the Company will only be held until around late May 2016, which is around three months from the date of this circular.

2. Proposed Refreshment of General Mandate

The Company will convene the EGM at which an ordinary resolution will be proposed to the Independent Shareholders that the Directors be granted the general mandate to allot and issue Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant ordinary resolution at the EGM.

Based on 3,482,709,827 Shares in issue as at the Latest Practicable Date and assuming that there are no changes in the issued share capital of the Company from the Latest Practicable Date up to date of the EGM, subject to the passing of the relevant ordinary resolution to approve the Refreshment of General Mandate at the EGM, the Directors will be authorized to allot and issue up to 696,541,965 new Shares under the New General Mandate, being 20% of the total number of Shares in issue as at the Latest Practicable Date.

The New General Mandate will expire at the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the date by which the next annual general meeting of the Company is required by the Articles of Association or the applicable laws of the Cayman Island to be held; 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 prior to the next annual general meeting of the Company.

3. Reasons for Refreshment of General Mandate

As a result of the Previous Placing, the Existing General Mandate has been almost fully utilised and only 1,965 new Shares may be further allotted and issued under the Existing General Mandate. The next annual general meeting of the Company will only be held until around late May 2016, which is approximately three months from the date of the Circular.

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While there are unutilized proceeds from previous placing, the Directors consider that the Refreshment of General Mandate would provide the Group with the necessary flexibility to (i) fulfil any possible funding needs for future business development and/or investment decisions which may arise at any time; (ii) strengthen the capital base of the Company; and (iii) have an option to consider issue of consideration shares as one of the settlement means in an acquisition as and when the Directors consider to be appropriate should suitable opportunities arise in the future. In addition, the Directors regarded equity financing as an important avenue of resources to the Group since it does not create any interest paying obligations on the Group.

The Directors consider that funding requirements or appropriate investment opportunities may arise at any time prior to the next annual general meeting and investment decisions may have to be made within a limited period of time in such event. Therefore, the Board is now proposing to seek the approval of Independent Shareholders at the EGM for the Refreshment of General Mandate such that, should attractive terms for investment in the Shares become available from potential investors or investment opportunities arise, the Board would be able to respond to the market promptly as fund raising exercise pursuant to a general mandate provides the Company with a simpler and less lead time process than other types of fund raising exercises as well as to avoid the uncertainties in such circumstances that specific mandate may not be obtained in a timely manner.

In addition, in case the Group has identified investment opportunities with other parties, it may have the option to utilise the New General Mandate to issue shares for settling the consideration. As disclosed in the Company's announcement dated 25 November 2015, the Group entered into a memorandum of understanding (the "MOU") regarding the possible acquisition of a target which has certain business operation of intellectual property right in relation to song/music within the PRC (the "**Possible Acquisition**"). The MOU has an exclusive period of six months. The Possible Acquisition is subject to the negotiation and entering into of a formal agreement.

Notwithstanding that the negotiations for Possible Acquisition are still preliminary, the Company should be well prepared for funds availability in case the Possible Acquisition materializes at any time during the six-month exclusivity period of the MOU. In the event that the negotiation for the terms of the Possible Acquisition are finalized before the end of the exclusivity period, being in late May 2016, which is before the next annual general meeting of the Company, the Company will need funds to follow through the Possible Acquisition as the vendor may, for example, request that the Company pay the refundable deposit or even full settlement of the Possible Acquisition at certain stage in respect of the Possible Acquisition. However, there is no certainty that adequate cash resources or other financing alternatives will be available to finance the Possible Acquisition and/or appropriate investment opportunities that may be identified by the Company in the future. If the Company does not have sufficient cash or financing resources on hand, it may not be able to capture possible business opportunities for its future development. Therefore, it is crucial to provide the Group with the flexibility to have immediate access to cash resources for appropriate business investment opportunities.

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Apart from the MOU, the Company has not been in negotiations with other parties for any business ventures. However, it is the objective of the Company to diversify the Group's businesses into new lines with growth potentials to broaden its source of income and preserve value. As such, the Company needs the flexibility to raise capital within a short period of time should such investment opportunities arise, which is provided by the refreshment of the Existing General Mandate. Otherwise, the Company may fail to seize and capitalise on potential investment opportunities at relatively lower prices than before if it has to wait until the next annual general meeting for the Refreshment of General Mandate given that in most cases parties to a transaction prefer to look for quick completion of their deals.

Based on the foregoing, the Directors consider that the Refreshment of General Mandate is in the interest of the Company and the Shareholders as a whole. Therefore, the Board proposes to seek the approval of the Independent Shareholders for the Refreshment of General Mandate at the EGM.

4. Flexibility in financing

The Directors confirmed that as at the Latest Practicable Date, the Company had not considered or been in negotiation for any fund raising activities. Neither did it have any concrete plan for raising capital by issuing new Shares under the New General Mandate as at the Latest Practicable Date.

In view of the fact that the Existing General Mandate has been substantially utilised and will not be refreshed until the next annual general meeting of the Company, we consider that the Refreshment of the General Mandate would provide the Company with the flexibility to obtain equity financing in a timely manner as and when considered necessary for the Group's operations and future development. As a result, we share the Directors' view that the Refreshment of General Mandate is, on balance, in the interests of the Company and the Shareholders as a whole.

5. Financing alternatives

As discussed with the Directors, we understand that in addition to the Refreshment of General Mandate, the Company has considered other means of fund raising, including bank borrowing, debt financing and rights issues/open offers. However, the Directors, for the reasons below, have decided to choose the option of Refreshment of General Mandate.

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Each of the financing alternatives explored by the Directors and the reasons for its rejection are set out below:

(a) Bank borrowing

Bank borrowings or debt financing would result in an additional interest burden on the Group and may not be achievable on favourable terms or on a timely basis, due to the possibility of the Company being subject to lengthy due diligence and negotiation processes with banks. Moreover, banks are likely to impose restrictive conditions on the loans which may adversely affect the borrower's flexibility in business operations. Such conditions may include, without limitation, stipulation of adequate security to be provided by the borrower, provision of personal guarantees on the part of the borrower's substantial shareholders, limited purposes for using the loans and other restrictive covenants.

(b) Rights issue and open offer

The Directors have also ruled out the use of rights issues and open offers to raise funds as the engagement of underwriters cannot be predicted with certainty given the sliding Share price trend since August 2015 despite the positive profit alert announcement dated 20 August 2015 attributing the profit increase to the gain on investments in listed financial assets up to now. Moreover, rights issue and open offer usually takes two to three months to complete in raising funds; therefore, the Company may not be able to grasp potential opportunities in a timely manner. With reference to recent pre-emptive fund raising activities by companies listed on the Stock Exchange, rights issues and open offers will incur underwriting commission in the range of around 2% to 3.5% in general. In this connection, there is no guarantee that the Group will be able to procure commercial underwriting for pre-emptive issue at more favourable terms in a timely manner because determination of underwriting commission will be subject to the then prevailing market condition, financial condition of the Group and proposed fund raising scale of the pre-emptive issue.

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Furthermore, documentation in rights issues and open offers will be more complicated as compared with placing exercises as it will involve extra administrative work for preparation and issue of prospectus and related documents and application forms for acceptance of the pre-emptive issues and appointment of reporting accountants to report on unaudited pro forma financial information to be included in the prospectus. Pre-emptive issues will also inevitably be more costly than placing exercises given that additional professional fees and other expenses of approximately HK\$2 million to HK\$3 million will be incurred for including but not limited to (i) appointing reporting accountants; (ii) obtaining legal advice in connection with the pre-emptive issues, such as feasibility of extending pre-emptive issues to overseas Shareholders; (iii) engaging other professional parties, such as financial adviser, independent financial adviser, share registrar, financial printer; (iv) printing charges in connection with the dispatch of prospectus and related documents and application forms; and (v) costs associated with trading arrangements of pre-emptive issues.

Although rights issues and open offers would be offered to the Shareholders on a pro rata entitlement basis under which the qualifying shareholders are given a choice to take up or give up or sell their entitlements, there is uncertainty of the existence of a market to trade the nil-paid rights. It is also uncertain whether the qualifying shareholders would reserve funding for further investment in the Shares in case of a pre-emptive issue and whether such further investment in the Shares would be in line with the then investment objectives of those qualifying shareholders. For those qualifying shareholders who choose not to take up their assured entitlements in full would have dilution to their shareholding interests in the Company.

The Directors note that the utilisation of the refreshed New General Mandate will have potential dilution impact on the shareholding of the Shareholders. However, given the additional time and cost involved and the uncertainty of identifying underwriters for right issues and open offers under the recent volatile market, we concur with the view of the Directors that equity financing by way of general mandate appears to be a more appropriate fund raising method as it (i) does not cause the Company to incur any interest payment obligations as compared with bank borrowing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the capability to capture any capital raising or prospective investment opportunity as and when it arises.

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6. Funding raising activities in the past twelve months

The following table summarises the fund raising activities by the Company in the past twelve months immediately prior to the Latest Practicable Date. Further details about these activities are set out after the table.

Date of announcement	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds
15 December 2015 and 5 January 2016	Previous Placing	HK\$54.9 million	General working capital of the Group and for funding investment opportunities as may be identified from time to time	(i) approximately HK\$41.5 million has been used for 2nd Early Redemption of PNs and accrued interest; and (ii) approximately HK\$13.4 million is maintained at bank for general working capital of the Group
28 May 2015 and 17 June 2015	Placing 1	HK\$117.2 million	General working capital of the Group (including trading of securities)	(i) Approximately HK\$110.6 million has been used for the 1st Early Redemption of PNs and accrued interest; (ii) approximately HK\$4.9 million has been utilized for general working capital of the Group including (a) HK\$1.7 million for staff salaries and Directors' fees; (b) HK\$1.7 million for rental and operating expenses; and (c) HK\$1.5 million for legal and professional fees; and (iii) the remaining balance of approximately HK\$1.7 million is maintained at bank for general working capital of the Group (including trading of securities)

On 15 December 2015, the Company entered into a placing agreement with China Rise Securities Asset Management Co. Limited (the "**Placing Agent**") in relation to the Previous Placing of 580,450,000 new Shares at a placing price of

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HK\$0.098 per new Share. The Previous Placing was completed on 5 January 2016. Accordingly, 580,450,000 new Shares were successfully placed and the net proceeds from the Previous Placing amounting to approximately HK\$54.9 million was received by the Company. On 8 January 2016, notice was served by the Group to the holder of the promissory notes with outstanding principal amount of HK\$50 million (the “**Remaining PNs**”) for early redemption of the Remaining PNs in part in principal amount of HK\$40 million (i.e. the 2nd Early Redemption of PNs) together with accrued interest thereupon. The 2nd Early Redemption of PNs was completed on 8 January 2016. The net proceeds from the Previous Placing has been used as to (i) approximately HK\$41.5 million for 2nd Early Redemption of PNs together with accrued interest thereupon; and (ii) the remaining balance of approximately HK\$13.4 million is intended to be used for general working capital of the Group.

On 28 May 2015, the Company entered into a placing agreement under which the Placing Agent agreed to place 483,700,000 of the Company’s ordinary shares on a fully underwritten basis to not less than six placees who are independent third parties at the placing price of HK\$0.25 per Placing Share. On 17 June 2015, notice was served by the Group to the holder of the promissory notes with aggregate principal amount of HK\$160 million (the “**PNs**”) for early redemption of the PNs in principal amount of HK\$110 million (the “**1st Early Redemption of PNs**”) together with accrued interest thereupon. The 1st Early Redemption of PNs was completed on 17 June 2015. The net proceeds from the Placing 1 has been used as to (i) approximately HK\$110.6 million for 1st Early Redemption of PNs together with accrued interest thereupon; (ii) approximately HK\$4.9 million has been utilized for general working capital of the Group including (a) HK\$1.7 million for staff salaries and Directors’ fees; (b) HK\$1.7 million for rental and operating expenses; and (c) HK\$1.5 million for legal and professional fees; and (iii) the remaining balance of approximately HK\$1.7 million is intended to be used for general working capital of the Group (including trading of securities).

As a result of completion of Placing 1, the First General Mandate had almost been fully utilized and the First General Mandate was then refreshed at the Previous EGM granting the Directors the Existing General Mandate.

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

7. Shareholding dilution effects and cumulative dilution effects of fund raising activities over the past 12 months and the potential dilution effects of the New General Mandate

As mentioned above, the Group conducted two fund raising activities over the 12 months preceding the Latest Practicable Date, namely Placing 1 and Previous Placing. According to the announcement of the Company dated 28 May 2015 in relation to Placing 1 (being placing of 483,700,000 Shares under general mandate), immediately prior to completion of Placing 1, public shareholders of the Company held 1,558,822,520 Shares, representing approximately 64.5% (the “**Initial Public Shareholding**”) of the then total number of issued Shares, being 2,418,559,827 Shares. After Placing 1, the Previous Placing (being placing of 580,450,000 Shares under general mandate) was announced on 15 December 2015. The dilution effects

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

of each respective fund raising activity in the 12 months preceding the Latest Practicable Date and the potential dilution effects of the New General Mandate and cumulative dilution effects are set out below:

	Total no. of Shares	Initial Public Shareholding (being 1,558,822,520 Shares) to total no. of Shares <i>Approximate %</i>	Dilution effects of each respective fund raising activity	Cumulative dilution effects
Immediately prior to completion of Placing 1	2,418,559,827	64.5%	N/A	N/A
Immediately after completion of Placing 1	2,902,259,827	53.7%	16.7%	16.7%
Immediately after completion of Previous Placing	3,482,709,827	44.8%	16.7%	30.6%
Immediately after full utilization of the New General Mandate	4,179,251,792	37.3%	16.7%	42.1%

Shareholding structure

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) for illustrative purposes only, upon full utilisation of the New General Mandate (assuming no further Share being issued or repurchased by the Company):

Shareholders	As at the Latest Practicable Date		Upon full utilization of the New General Mandate	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Affluent Start Holdings Limited (<i>Note</i>)	604,355,000	17.35	604,355,000	14.46
Public Shareholders				
Other public Shareholders	2,878,354,827	82.65	2,878,354,827	68.87
Shares to be issued under the New General Mandate	–	–	696,541,965	16.67
Total	<u>3,482,709,827</u>	<u>100.00</u>	<u>4,179,251,792</u>	<u>100.00</u>

Note:

Affluent Start Holdings Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. King Pak Fu.

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As at the Latest Practicable Date, the Company does not have any outstanding options, warrants, convertible securities or other rights to subscribe for Shares.

It can be observed from the table on shareholding structure above that upon full utilisation of the new General Mandate, the aggregate shareholdings of the public Shareholders would decrease from 82.65% as at the Latest Practicable Date to approximately 68.87%, assuming no other Shares are issued and/or repurchased by the Company, with a dilution of approximately 16.67% (i.e. $(82.65\% - 68.87\%) / 82.65\%$), which is the same as that of the Company's last Refreshment of General Mandate exercise in July 2015 (the "**July 2015 refreshment**"). In the EGM held on 6 August 2015, Shareholders approved, among others, the resolution for the July 2015 refreshment.

Taking into account that (i) the Refreshment of General Mandate would (a) allow the Company to raise capital by allotment and issuance of new Shares before the next annual general meeting; (b) provide an alternative to increase the amount of capital which may be raised thereunder; (c) provide more flexibility and options for financing to the Group for the acquisition for future investments and business developments; (d) enable the Company to respond in a timely and effective manner to take advantages of any business opportunities for the benefit of the Company and its Shareholders as a whole; (e) broaden shareholders' base; (ii) any funds raised by utilising the General Mandate is non-interest bearing and requires no collaterals or pledge of securities; (iii) the proceeds obtained by the Group in its two fund raising activities (i.e. Previous Placing and Placing 1) in the past twelve months had been used as intended, namely, for general working capital of the Group (including trading of securities) and the repayment of debt; (iv) the shareholding interests of all the Shareholders in the Company will be diluted in proportion to their respective shareholdings upon any utilisation of the New General Mandate; (v) the dilution to shareholding of existing shareholders in Refreshment of General Mandate is the same as that of the July 2015 refreshment, we are of the opinion that the potential dilution to the shareholdings of the existing public Shareholders upon the grant of a new General Mandate is acceptable.

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RECOMMENDATION

After considering the above principal factors and reasons, we are of the view that the refreshment of General Mandate is fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, we would recommend the Independent Shareholders and advise the Independent Board Committee to recommend to the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the EGM.

For and on behalf of
Central China International Capital Limited
Billy C. W. Cheung
General Manager

Mr. Cheung is licensed by the SFC as a Responsible Officer and a Principal licence holder of Central China International Capital Limited. He has over 20 years' experience in the financial services industry in Hong Kong.

NOTICE OF EGM



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED

企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Enterprise Development Holdings Limited (the “Company”) will be held at 9:00 a.m. on 9 March 2016 at 35th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution as ordinary resolution:

ORDINARY RESOLUTION

1. “THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each in the share capital of the Company and to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such power during or 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), issued or dealt with by the Directors pursuant to the approval in paragraph (a) above otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined); or
 - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; or
 - (iii) the exercise of any option under any option scheme or similar arrangement for the time being adopted for the grant or issue to

NOTICE OF EGM

employees of the Company and/or any of its subsidiaries or any other eligible participant(s) of shares or rights to acquire shares in the Company; or

- (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company pursuant to the articles of association of the Company (the “**Articles of Association**”), from time to time

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“**Rights Issue**” means an offer of shares of the Company open for a period fixed by the Directors to holders of shares of the Company 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 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).”

By order of the Board
Enterprise Development Holdings Limited
Lam Kai Tai
Chairman

Hong Kong, 22 February 2016

NOTICE OF EGM

Notes:

1. Any shareholder entitled to attend and vote at the EGM shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf. A proxy need not to be a shareholder of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's branch share registrar in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the EGM (or any adjournment thereof).
3. Completion and delivery of a form of proxy shall not preclude a shareholder from attending and voting in person at the EGM and in such event, the instrument appoint a proxy shall be deemed to be revoked.
4. Where there are joint holders of any shares, any one of such joint holder may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled hereto; but if more than one of such joint holders be present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.
5. A form of proxy for use at the EGM is enclosed herewith.
6. Any voting at the EGM shall be taken by poll.
7. The form of proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.

As at the date of this notice, the board of directors of the Company comprises four executive Directors, namely Mr. Lam Kai Tai (Chairman), Mr. Kwok Ho On Anthony, Mr. Wang Jun and Mr. Wong Ho Sing, and three independent non-executive Directors, namely Mr. Yau Yan Ming Raymond, Ms. Hu Gin Ing and Mr. Liu Kam Lung.