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

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

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This circular is provided for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of Heng Tai Consumables Group Limited.



HENG TAI CONSUMABLES GROUP LIMITED

亨泰消費品集團有限公司

Incorporated in the Cayman Islands with limited liability

Stock Code : 0197

- (1) RE-ELECTION OF DIRECTORS;**
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(3) BONUS ISSUE OF SHARES;
(4) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT;
(5) AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION
AND THE ARTICLES OF ASSOCIATION;
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting (the “AGM”) of the Company to be held at InterContinental Hong Kong, Function Room – Catalpa, Second Floor, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 5 December 2011 at 10:30 a.m. is set out on pages 25 to 40 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the website of the Stock Exchange at www.hkex.com.hk under “Latest Listed Companies Information” and on the website of the Company at www.hengtai.com.hk.

Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and deposit the same at the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited, at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

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EXPECTED TIMETABLE

2011

Despatch of this circular and the AGM Notice	Friday, 28 October
Latest time for lodging transfer forms of Shares to qualify for entitlements to the AGM	4:00 p.m. on Thursday, 1 December
Closure of Register (both dates inclusive)	Friday, 2 December to Monday, 5 December
Latest time for lodging forms of proxy for the AGM (in any event not less than 48 hours before the time appointed for the holding of the AGM).	10:30 a.m. on Saturday, 3 December
AGM Record Date	Monday, 5 December
Date and time of the AGM	10:30 a.m. on Monday, 5 December
Register re-opens	Tuesday, 6 December
Last day of trading in Shares cum entitlements to the Bonus Issue	Wednesday, 7 December
First day of trading in Shares ex-entitlements to the Bonus Issue	Thursday, 8 December
Latest time for lodging transfer forms of Shares to qualify for entitlements to the Bonus Shares	4:00 p.m. on Friday, 9 December
Closure of Register (both dates inclusive)	Monday, 12 December to Wednesday, 14 December
Record Date for determination of entitlements to the Bonus Issue	Wednesday, 14 December
Register re-opens	Thursday, 15 December
Despatch of share certificates for the Bonus Shares	on or before Monday, 19 December
First day of trading in Bonus Shares on the Stock Exchange	Wednesday, 21 December

Notes:

1. All dates and time set out in this circular refer to Hong Kong dates and time.
2. Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate and in accordance with the Listing Rules.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at InterContinental Hong Kong, Function Room – Catalpa, Second Floor, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 5 December 2011 at 10:30 a.m. to consider and, if thought fit, to approve, among other matters, the General Mandate, the Repurchase Mandate and the re-election of retiring Directors
“AGM Notice”	the notice convening the AGM set out on pages 25 to 40 of this circular
“AGM Record Date”	Monday, 5 December 2011, being the record date for determining entitlements of the Shareholders to vote at the AGM
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time, and “ Article ” shall mean an article of the Articles of Association
“Asia Startup”	Asia Startup Group Limited, a company incorporated in the BVI with limited liability and is wholly owned by Mr CHU Ki, an executive Director of the Company
“associate”	has the meaning ascribed to this term under the Listing Rules
“Best Global”	Best Global Asia Limited, a company incorporated in the BVI with limited liability and is wholly owned by Mr LAM Kwok Hing, the Chairman and executive Director of the Company
“Board”	the board of Directors
“Bonus Issue”	the issue of Bonus Shares on the basis of one Bonus Share for every twenty Shares held by the Qualifying Shareholders whose names appear on the Register on the Record Date and subject to the terms and conditions set out in this circular

DEFINITIONS

“Bonus Share(s)”	new Share(s) to be issued by way of the Bonus Issue
“Branch Share Registrar”	Union Registrars Limited, at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong
“BVI”	the British Virgin Islands
“Cayman Companies Law”	Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“CCASS”	the Central Clearing and Settlement System, established and operated by HKSCC
“Company”	Heng Tai Consumables Group Limited, a company incorporated in the Cayman Islands with limited liability and registered in Hong Kong under Part XI of the Companies Ordinance of Hong Kong, the Shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to this term under the Listing Rules
“Directors”	the directors of the Company
“Existing Mandate”	the general and unconditional mandate granted to the Directors at annual general meeting on 28 December 2010 to allot and issue further new Shares (including issue of options, warrants and other securities convertible into new Shares) not exceeding 20% of the then aggregate nominal value of the issued share capital of the Company (i.e. up to a maximum of 656,064,900 Shares) as at 28 December 2010, the date of the passing of such resolution
“Existing Options”	share options granted and remaining outstanding under the Schemes

DEFINITIONS

“General Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to allot and issue further new Shares (including issue of options, warrants and other securities convertible into new Shares) not exceeding 20% of the then aggregate nominal value of the issued share capital of the Company as at the date of the passing of such resolution
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	25 October 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum of Association”	the memorandum of association of the Company as supplemented or modified from time to time
“New Scheme”	the new share option scheme adopted on 21 December 2009
“Old Scheme”	the old share option scheme adopted on 3 December 2001 and amended on 24 September 2005
“Options”	the options granted under the Schemes to subscribe for Shares in accordance with the terms thereof
“Optionholders”	holders of the Existing Options
“Overseas Shareholders”	Shareholders whose addresses as shown in the Register on the Record Date are outside Hong Kong
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, Macau Special Administration Region and Taiwan

DEFINITIONS

“Proposed Refreshment”	the proposed refreshment of the Scheme Mandate Limit under the New Scheme at the AGM
“Qualifying Shareholders”	Shareholders who are entitled to the Bonus Issue, other than those Overseas Shareholders to whom or which the Board, after making reasonable enquiries, considers it necessary or expedient on account either of legal restrictions of the relevant body or stock exchange in that place, not to extend to allotment and issue of the Bonus Shares to them under the Bonus Issue
“Record Date”	Wednesday, 14 December 2011, being the record date for determining entitlements of the Shareholders to the Bonus Issue
“Register”	the register of members of the Company
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the then aggregate nominal value of the issued share capital of the Company as at the date of the passing of such resolution
“Schemes”	collectively, the Old Scheme and the New Scheme
“Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all options that may be granted under the New Scheme and any other share option schemes of the Group which shall not in aggregate exceed 10% of the Shares in issue as at the date of the passing of the relevant resolution for its refreshment
“SFO”	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder”	has the meaning ascribed to this term under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong
“World Invest”	World Invest Holdings Limited, a company incorporated in the BVI with limited liability and is wholly owned by Ms LEE Choi Lin Joecy, an executive Director of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



HENG TAI CONSUMABLES GROUP LIMITED 亨泰消費品集團有限公司

Incorporated in the Cayman Islands with limited liability
Stock Code : 0197

Executive Directors:

Mr LAM Kwok Hing (*Chairman*)
Mr CHU Ki (*Chief Executive Officer*)
Ms LEE Choi Lin, Joecy

Non-executive Director:

Ms CHAN Yuk, Foebé

Independent non-executive Directors:

Mr John HANDLEY
Ms MAK Yun Chu
Mr POON Yiu Cheung, Newman

Registered office:

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

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

31st Floor
Guangdong Finance Building
88 Connaught Road West
Sheung Wan
Hong Kong

28 October 2011

To the Shareholders, and for information purpose, the Optionholders

Dear Sir or Madam

- (1) RE-ELECTION OF DIRECTORS;
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(3) BONUS ISSUE OF SHARES;
(4) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT;
(5) AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION
AND THE ARTICLES OF ASSOCIATION;
AND
(6) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you (i) with the AGM Notice; (ii) information regarding certain resolutions to be proposed at the AGM to enable you to make an informed decision on whether to vote for or against those resolutions; and (iii) information relating to the Bonus Issue.

LETTER FROM THE BOARD

At the AGM, resolutions will be proposed for the Shareholders to approve, among others matters, (i) the re-election of Directors; (ii) the grant of the General Mandate; (iii) the grant of the Repurchase Mandate; (iv) the extension of the General Mandate to include Shares that may be repurchased pursuant to the Repurchase Mandate; (v) the refreshment of the Scheme Mandate Limit; and (vi) the amendments to the Memorandum of Association and the Articles of Association.

2. RE-ELECTION OF DIRECTORS

According to Article 108, one-third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation at every annual general meeting, provided that every Director shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

Accordingly, Mr CHU Ki, Ms LEE Choi Lin, Joecy and Mr POON Yiu Cheung, Newman shall retire from their offices at the AGM. Being eligible, each of them has offered himself/herself for re-election as Director at the AGM. Separate ordinary resolutions will be proposed for each of their re-elections. Their particulars are set out in Appendix I to this circular.

3. THE GENERAL MANDATE AND THE REPURCHASE MANDATE

The General Mandate and the Repurchase Mandate shall be effective until whichever is the earliest of:

- (a) the conclusion of 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 the Articles of Association, or any applicable law of the Cayman Islands to be held; or
- (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors.

LETTER FROM THE BOARD

The General Mandate

The Company has in issue an aggregate of 3,463,730,725 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolution to grant the General Mandate to the Directors and in accordance with the terms therein, the Company would be allowed to allot and issue up to a maximum of 692,746,145 Shares, representing 20% of the aggregate nominal amount of the issued Shares at the time of the passing of the resolution approving the General Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

A further resolution, if approved at the AGM, will extend the maximum number of Shares that may be issued under the General Mandate set out above by the number of Shares which may be repurchased by the Company under the Repurchase Mandate as described below.

Since the Bonus Shares will not be allotted and issued on or before the AGM, the Bonus Shares will not be taken into account in determining the size of the General Mandate.

Other than the proposed issue of the Bonus Shares, the Directors have no immediate plans to issue any new Shares other than any Shares which may fall to be issued under the Existing Options.

The Repurchase Mandate

Subject to the passing of the proposed resolution to grant the Repurchase Mandate to the Directors and in accordance with the terms therein, the Company would be allowed to repurchase up to a maximum of 346,373,072 Shares, representing 10% of the aggregate nominal amount of the issued Shares at the time of the passing of the resolution approving the Repurchase Mandate on the basis that no further Shares will be issued or repurchased by the Company prior to the AGM.

The Bonus Shares will not be taken into account in determining the size of the Repurchase Mandate.

Under the Listing Rules, the Company is required to give the Shareholders an explanatory statement containing all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution to grant the Repurchase Mandate to the Directors. The explanatory statement is set out in Appendix II to this circular.

LETTER FROM THE BOARD

4. THE BONUS ISSUE AND CLOSURE OF REGISTER FOR THE BONUS ISSUE

As stated in the announcement issued by the Company dated 30 September 2011 relating to the annual results of the Group for the year ended 30 June 2011, the Board proposed to make the Bonus Issue in the proportion of one Bonus Share for every twenty Shares held by Qualifying Shareholders whose names appear on the Register on the Record Date. The Bonus Issue is subject to the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares.

Though the Group has decided to reserve more working capital to further sustain the Group's expansion plans in the coming years, the Board has resolved to make the Bonus Issue as a gesture to thank current Shareholders for their loyalty and support during the past years.

The Bonus Shares, when allotted and issued, will be credited as fully paid and rank *pari passu* in all respects with the existing issued Shares except that they will not rank for the Bonus Issue.

The exact total number of Bonus Shares to be issued under the Bonus Issue will not be capable of determination until the Record Date. As at the Latest Practicable Date, there were an aggregate of 3,463,730,725 Shares in issue and 140,869,051 Existing Options.

Assuming that no further Shares are or will be issued or repurchased, no Existing Options will be converted into Shares and no new Shares will be issued prior to the Record Date, on which basis it is expected 173,186,536 Bonus Shares will be issued under the Bonus Issue and the total number of Shares in issue will then be increased to 3,636,917,261 Shares.

Assuming that all the Existing Options would be converted into Shares, on which basis it is expected 180,229,988 Bonus Shares will be issued under the Bonus Issue and the total number of Shares in issue will then be increased to 3,784,829,764 Shares.

Condition of the Bonus Issue

The Bonus Issue is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares.

LETTER FROM THE BOARD

Closure of Register

The Register will be closed from Monday, 12 December 2011 to Wednesday, 14 December 2011 (both dates inclusive) in order to determine the Qualifying Shareholders' entitlements to the Bonus Issue, during which no transfer of Shares will be registered. The last day for dealing in Shares cum entitlements to the Bonus Issue will be Wednesday, 7 December 2011.

To qualify for the Bonus Issue, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration no later than 4:00 p.m. on Friday, 9 December 2011.

Qualifying Shareholders whose names appear on the Register on the Record Date, i.e. Wednesday, 14 December 2011 will be entitled to the Bonus Issue.

Overseas Shareholders

As at the Latest Practicable Date, no Shareholder whose address as shown on the Register is located outside Hong Kong.

The Company will continue to ascertain whether there is any other Overseas Shareholders on the Record Date and will, if necessary, make enquiries with its legal advisers in other overseas jurisdiction(s) regarding the feasibility of extending the Bonus Issue to such other Overseas Shareholders on the Record Date.

If after making such enquiries, the Board is of the opinion that the exclusion of those Overseas Shareholders in relevant jurisdictions from the Bonus Issue is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Bonus Shares will not be granted to those Overseas Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise be allotted to the Overseas Shareholders to be sold in the market as soon as practicable after dealings in the Bonus Shares commence if a premium, net of expenses, can be obtained. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong currency to such persons at their own risk pro rata to their respective shareholdings in the Company except where the amount payable to individual Shareholder is less than HK\$100, the sale proceeds will not be distributed but will be retained by and for the benefit of the Company.

LETTER FROM THE BOARD

Fractions of Bonus Shares

Fractional entitlements to the Bonus Shares will not be allotted by the Company.

Bonus Shares representing fractional entitlements shall be aggregated and sold and the net proceeds of sale, after deduction of related expenses, will be retained by and for the benefit of the Company.

Application for listing and trading arrangements

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares.

No part of the issued share capital of the Company is listed on or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought other than the application to be made to the Listing Committee of the Stock Exchange.

The Bonus Shares will be traded in board lots of 5,000 Shares each. Certificates in respect of the Bonus Shares will be sent to the persons entitled thereto at their respective addresses shown in the Register or, in the case of joint holders, to the address of the joint holder whose name stands first in the Register in respect of the joint holding. All such share certificates are expected to be sent by ordinary mail on or before Monday, 19 December 2011 at the risk of the persons entitled thereto and neither the Company nor the Registrar will be responsible for any loss or delay in transmission.

Subject to the granting of the listing of, and permission to deal in, the Bonus Shares on the Stock Exchange, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Bonus Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter.

Dealings in the Bonus Shares on the Stock Exchange are expected to commence on Wednesday, 21 December 2011 and will be subject to Hong Kong stamp duty.

Effect of Bonus Issue on Existing Options

As at the Latest Practicable Date, 869,051 Shares would fall to be issued upon exercise of all Existing Options granted under the Old Scheme and 140,000,000 Shares would fall to be issued upon exercise of all Existing Options granted under the New Scheme.

LETTER FROM THE BOARD

The Board will determine, in their opinion to be fair and reasonable, and in accordance with the terms of the Schemes whether adjustments shall be made as to (i) the number or nominal amount of Shares to be issued upon exercise of each Existing Options so far as unexercised; and/or (ii) the exercise price; and/or (iii) the method of exercise of the Existing Options, provided that any such adjustments shall give the Optionholders the same proportion of the issued share capital of the Company as that to which he was previously entitled, but no such adjustments shall be made to the extent that a Share would be issued at less than its nominal value. Notice of any adjustment will be given by the Company to the Optionholders in accordance with the terms of the Schemes.

Taxation

Shareholders are recommended to consult their professional adviser if they are in any doubts as to the taxation implications of any purchase, holding or disposal of or dealing in the Bonus Shares. It is emphasized that none of the Company, the Directors or any other parties involved in the Bonus Issue accepts responsibility for any tax effects or liabilities of the Shareholders resulting from the purchase, holding or disposal of or dealing in the Bonus Shares.

5. THE PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

Under the New Scheme, the original Scheme Mandate Limit was refreshed at 10% of the Shares in issue as at the date of last annual general meeting held on 28 December 2010, i.e. 328,032,450 Shares, which represented the maximum number of Shares that might be issued upon the exercise of all Options under the New Scheme and any other share option schemes of the Company. Subject to prior Shareholders' approval, the Company may, at any time thereafter, refresh the Scheme Mandate Limit to the extent not exceeding 10% of the Shares in issue as at the aforesaid approval date. However, the Bonus Shares will not be taken into account in calculating the 10% Scheme Mandate Limit as the Bonus Shares will not be issued on or before the date of the AGM where the necessary resolution to approve the refreshed Scheme Mandate Limit will be passed.

Pursuant to the Scheme Mandate Limit refreshed on 28 December 2010, 140,000,000 Options were granted under which no Options were exercised. As at the Latest Practicable Date, the 140,000,000 Options granted under such scheme mandate limit have utilised about 42.68% of it. A further 188,032,450 Options for the same number of Shares may be granted under such Scheme Mandate Limit and have not been utilised.

LETTER FROM THE BOARD

As at the Latest Practicable Date, 869,051 and 140,000,000 Existing Options remain outstanding which were granted under the Old Scheme prior to its termination and the New Scheme respectively. No Options under the Old Scheme and the New Scheme were lapsed. Upon exercise of all the 140,869,051 Existing Options, 140,869,051 Shares, representing approximately 4.1% of the issued share capital of the Company as at the Latest Practicable Date, would fall to be issued.

Pursuant to Rule 17.03 of the Listing Rules, the total number of Shares which may be issued upon the exercise of all options to be granted under the Schemes and any other schemes must not exceed 10% of the Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit. Options previously granted under the Schemes (including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Schemes) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

As at the Latest Practicable Date, the Company has 3,463,730,725 Shares in issue. Pursuant to the terms of the New Scheme and in compliance with the Listing Rules, the maximum number of Shares which may be issued upon the exercise of all the Options to be granted under the New Scheme and any other schemes of the Company under the Scheme Mandate Limit as approved should be 346,373,072 Shares (assuming no further issue or repurchase of Shares prior to the AGM and not taking into account new Shares which may be issued under the Existing Options), representing 10% of the issued share capital of the Company as at the date of approval of the Proposed Refreshment by the Shareholders at the AGM.

It is proposed that subject to the Stock Exchange granting the listing of, and permission to deal in the Shares to be issued pursuant to the exercise of Options to be granted under the refreshed Scheme Mandate Limit and the passing of the relevant resolution at the AGM, the Scheme Mandate Limit be refreshed so that the total number of Shares, which may be issued upon exercise of all Options to be granted under the New Scheme of the Company, shall not exceed 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the AGM.

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Scheme and any other schemes at any time will not exceed 30% of the Shares in issue from time to time. No Options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded.

The Proposed Refreshment will enable the Company to grant further Options to eligible persons so as to attract and retain best available personnel and to provide additional incentive or rewards to, inter alia, employees and directors of the Group and eligible persons for their contribution to the Company.

LETTER FROM THE BOARD

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of Options to be granted under the refreshed Scheme Mandate Limit.

Copy of the Schemes will be available for inspection on working days, Monday to Friday during 10:00 a.m. to 4:00 p.m. at the principal place of business of the Company in Hong Kong at 31st Floor, Guangdong Finance Building, 88 Connaught Road West, Sheung Wan, Hong Kong from 28 October 2011 to 5 December 2011, both dates inclusive.

6. THE PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND THE ARTICLES OF ASSOCIATION

Under the existing Articles, the Company may at any time and from time to time by special resolution alter or amend the Memorandum of Association and the Articles of Association in whole or in part. In order to bring the Memorandum of Association and the Articles of Association in line with the recent changes to the Listing Rules and upholding the corporate governance standards relating to, among others things, the use of website for communication with shareholders, notice days of general meetings and voting at general meetings, the Directors propose certain amendments to the Articles to give effect of the following:–

- (a) to allow the Company to use the Company's website and other electronic means to send or make available notices or documents to the Shareholders, subject to the compliance with the Listing Rules and applicable laws by the Company;
- (b) an annual general meeting shall be called by at least twenty clear business days' and twenty-one days' notice in writing. A meeting of the Company other than an annual general meeting for the passing of a special resolution shall be called by at least twenty one days' and ten clear business days' notice in writing. All other meetings of the Company other than an annual general meeting may be called by at least fourteen days' and ten clear business days' notice in writing;
- (c) all resolutions at general meetings of the Company shall be decided by poll; and
- (d) to exclude the application of sections 8 and 19 of the Electronic Transactions Law of the Cayman Islands so that the Company can take advantage of the delivery by electronic means as allowed under the Listing Rules to the fullest extent.

Details of the proposed amendments are set out in resolution no. 8 of the AGM Notice which is set out on pages 29 to 39 of this circular.

LETTER FROM THE BOARD

7. THE AGM AND CLOSURE OF REGISTER FOR AGM

The AGM will be held at InterContinental Hong Kong, Function Room – Catalpa, Second Floor, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong, on Monday, 5 December 2011 at 10:30 a.m.. The AGM Notice giving you notice of the AGM is set out on pages 25 to 40 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the website of the Stock Exchange at www.hkex.com.hk under “Latest Listed Companies Information” and on the website of the Company at www.hengtai.com.hk.

Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and deposit the same to the Branch Share Registrar,

Union Registrars Limited
18th Floor, Fook Lee Commercial Centre, Town Place
33 Lockhart Road, Wanchai, Hong Kong

as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

The Chairman of the AGM will demand that all the resolutions set out in the AGM Notice will be decided by poll in accordance with the Listing Rules.

The Register will be closed from Friday, 2 December 2011 to Monday, 5 December 2011 (both days inclusive) in order to determine the Shareholders’ entitlements to attend and vote at the AGM, during which no transfer of Shares will be registered.

In order to qualify for attending and voting at the AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar for registration not later than 4:00 p.m. on Thursday, 1 December 2011.

Shareholders whose names appear on the Register on 5 December 2011 will be entitled to attend and vote at the AGM.

LETTER FROM THE BOARD

8. RESPONSIBILITY STATEMENT OF DIRECTORS

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

9. RECOMMENDATIONS

The Directors consider the retiring Directors have been serving the Company well during their respective terms in office and believe they will continue to contribute their expertise and dedication to the Group in the coming years.

The Directors believe that an exercise of the General Mandate to allot and issue new Shares will enable the Company to take advantage of market conditions to raise additional capital for and/or as a means of payment by the Company.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and its net assets and/or earnings per Share and will only be made when the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 30 June 2011, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

The Directors consider that the proposed refreshment of the Scheme Mandate Limit will enable the Group to continue rewarding the staff and eligible persons for their contribution to the Group under the New Scheme.

LETTER FROM THE BOARD

The Directors also consider the proposed amendments to the Memorandum of Association and the Articles of Association will bring the Memorandum of Association and the Articles of Association in line with the recent changes to the Listing Rules and upholding the corporate governance standards.

In view of the reasons set out above and in this circular, the Directors believe that the re-election of Directors, the proposed grant of the General Mandate, the Repurchase Mandate, the proposed refreshment of the Scheme Mandate Limit and the proposed amendments to the Memorandum of Association and the Articles of Association are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend you to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully
For and on behalf of the Board of
Heng Tai Consumables Group Limited
LAM Kwok Hing
Chairman

Mr CHU Ki

Aged 58, an executive Director since April 2001. Mr Chu has over 35 years' experience in a broad range of "Heng Tai" disciplines including the marketing and distribution of fast moving consumer goods, food trading, and logistics services covering both the Hong Kong and China markets. Mr Chu is responsible for the Group's overall corporate development, day-to-day management, and development of on-the-ground business initiatives that provides the flesh to the skeleton put together by the Chairman's strategy. Mr Chu has worked together with Mr LAM Kwok Hing ("Mr Lam") for a long time prior to founding Heng Tai. Mr Chu did not hold any directorship in any other listed company in the past three years.

Mr Chu does not have any relationship with any of the Directors, senior management or substantial or controlling shareholders of the Company.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, the number of Shares held by Asia Startup was 23,152,500. The entire issued share capital of Asia Startup is beneficially owned by Mr Chu. Save as disclosed above, as at the Latest Practicable Date, Mr Chu does not have any interest or is deemed to be interested in any Share of the Company within the meaning of Part XV of the SFO.

Mr Chu entered into a service agreement with the Company for an initial term of three years commencing on 1 July 2001, which continues thereafter until terminated by either party giving not less than three months' notice in writing to the other party. In accordance with the service agreement, Mr Chu is entitled to a director emolument, a discretionary management bonus and retirement fund scheme which were determined by reference to his duties and responsibilities to the Company and subject to review by the Remuneration Committee from time to time. His appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Articles of Association. For the financial year ended 30 June 2011, Mr Chu received a total director emoluments including bonus of HK\$1,962,000.

There is no information relating to Mr Chu that is required to be disclosed pursuant to Rules 13.51 (2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there is no other matter concerning Mr Chu that needs to be brought to the attention of the Shareholders.

Ms LEE Choi Lin, Joecy

Aged 51, an executive Director since April 2001. Ms Lee is responsible for the general administration and management of the Group. She has over 15 years' experience in the marketing and distribution of fast moving consumer goods. Ms Lee is the spouse of Mr Lam, an Executive Director as well as a co-founder of the Company. Ms Lee did not hold any directorship in any other listed company in the past three years.

Except that Ms Lee is the spouse of Mr Lam, the Chairman and executive Director of the Company, Ms Lee does not have any relationship with any of the Directors, senior management or substantial or controlling shareholders of the Company.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, the number of Shares held by World Invest was 141,693,300. The entire issued share capital of World Invest is beneficially owned by Ms Lee. Ms Lee is also deemed to be interested in all the shareholding interests held by Mr Lam and his wholly owned company, Best Global, of 399,546,000 Shares. Save as disclosed above, as at the Latest Practicable Date, Ms Lee does not have any interest or is deemed to be interested in any Share of the Company within the meaning of Part XV of the SFO.

Ms Lee entered into a service agreement with the Company for an initial term of three years commencing on 1 July 2001, which continues thereafter until terminated by either party giving not less than three months' notice in writing to the other party. Ms Lee is entitled to receive a director emolument which was determined by reference to her duties and responsibilities to the Company and subject to review by the Remuneration Committee from time to time. Her appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Articles of Association. For the financial year ended 30 June 2011, Ms Lee received a total director emoluments including bonus of HK\$506,000.

There is no information relating to Ms Lee that is required to be disclosed pursuant to Rules 13.51 (2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there is no other matter concerning Ms Lee that needs to be brought to the attention of the Shareholders.

Mr POON Yiu Cheung, Newman

Aged 57, an independent non-executive Director since November 2003. Mr Poon holds a Bachelor of Arts Degree, majoring in accounting and economics from the University of Alberta in Canada. Mr Poon is a Senior Executive in a multinational insurance company and has over 25 years' experience in insurance and accounting. Mr Poon does not hold any directorship in other listed public companies in the last three years.

Mr Poon does not have any relationship with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr Poon has interests in 5,000,000 Shares by way of share options of the Company within the meaning of Part XV of the SFO.

Mr Poon has entered into a service agreement with the Company for a term of three years expiring on 25 November 2012. Mr Poon is entitled to receive a director's fee which was determined by reference to his duties and responsibilities to the Company and subject to review by the Remuneration Committee from time to time. His appointment is subject to normal retirement and re-election by the Shareholders pursuant to the Articles of Association. For the financial year ended 30 June 2011, Mr Poon is entitled to receive a director's fee of HK\$50,000.

There is no information relating to Mr Poon that is required to be disclosed pursuant to Rules 13.51 (2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there is no other matter concerning Mr Poon that needs to be brought to the attention of the Shareholders.

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

1. REPURCHASE OF SECURITIES FROM CONNECTED PARTIES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own shares on the Stock Exchange subject to certain restrictions and obtaining prior Shareholders' approval. The Listing Rules, however, prohibit a company from knowingly purchasing securities on the Stock Exchange from a "connected person" (as defined in the Listing Rules) and a connected person is prohibited from knowingly selling his securities to the Company.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,463,730,725 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 346,373,072 fully paid Shares, representing 10% of the total issued Shares as at the date of the AGM.

3. REASONS FOR THE REPURCHASE

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

4. FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under the applicable laws of Cayman Islands, Hong Kong and the Memorandum of Association and the Articles of Association of the Company for such purpose.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and its net assets and/or earnings per Share and will only be made when the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate in full could have a material adverse impact on the working capital and gearing position of the Company compared with that as at 30 June 2011, being the date of its latest published audited consolidated accounts. The Directors do not intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

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

	Share prices	
	Highest (HK\$)	Lowest (HK\$)
2010		
October	1.5900	1.1710
November	1.4000	1.0950
December	1.2760	1.1050
2011		
January	1.3200	1.1500
February	1.2200	0.8700
March	1.0200	0.8600
April	1.1000	0.9100
May	0.9800	0.8200
June	0.8900	0.6900
July	0.8500	0.7500
August	0.8000	0.4400
September	0.5000	0.2800
October (<i>up to and including the Latest Practicable Date</i>)	0.5200	0.3300

6. DISCLOSURE OF INTERESTS

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

Further, no connected person of the Company has notified the Company that he has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him to the Company in the event that the Repurchase Mandate is approved.

7. DIRECTORS' UNDERTAKING AND MINIMUM PUBLIC HOLDING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, applicable laws of Cayman Islands, Hong Kong and the Articles of Association.

The Company will not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

At as the Latest Practicable Date, the Directors have no intention to exercise any of the Repurchase Mandate.

8. EFFECTS OF THE TAKEOVERS CODE

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

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Best Global, a company wholly owned by Mr LAM Kwok Hing, the Chairman and executive Director of the Company held about 11.54% of the issued Shares, and World Invest, a company wholly owned by Ms LEE Choi Lin, Joecy, an executive Director, held about 4.09% of the issued Shares. Ms Lee is the spouse of Mr Lam and pursuant to the SFO, they are deemed to be interested in the Shares held by the other. Accordingly, each of them is deemed to be interested in aggregate about 15.63% of the issued Shares. Although the Directors have no present intention to repurchase any Shares pursuant to the Repurchase Mandate, if the Directors were to exercise the Repurchase Mandate in full, such Shares would represent approximately 17.36% of the then issued share capital of the Company, which would not give rise to an obligation of them to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors are not aware of any other consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

9. SHARES REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

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HENG TAI CONSUMABLES GROUP LIMITED 亨泰消費品集團有限公司

Incorporated in the Cayman Islands with limited liability
Stock Code : 0197

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Heng Tai Consumables Group Limited (the “**Company**”) will be held at InterContinental Hong Kong, Function Room – Catalpa, Second Floor, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 5 December 2011 at 10:30 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. to receive, consider and adopt the audited consolidated financial statements and the reports of the directors (the “**Directors**”) of the Company and auditors for the year ended 30 June 2011;
2. to re-elect Directors and to authorise the board of Directors to fix their remuneration;
3. to re-appoint auditors and to authorise the board of Directors to fix their remuneration;

AS SPECIAL BUSINESS

4. to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares of the Company of HK\$0.01 each (the “**Shares**”) and to make or grant offers, agreements, options, warrants and other securities to subscribe for or convertible into Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

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- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options, warrants and other securities to subscribe for or convertible into Shares 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 options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (bb) (provided that resolutions nos. 5 and 6 are passed) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law of the Cayman Islands to be held; and

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- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange).”

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

“**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined below) shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
6. to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to the ordinary resolutions nos. 4 and 5 above being duly passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with unissued Shares pursuant to resolution no. 4 above be and is hereby extended by the addition thereon of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company subsequent to the passing of this resolution, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued Shares on the date of the passing of resolution no. 5.”

7. to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to and conditional upon the Stock Exchange granting approval of the listing of, and permission to deal in, the shares in the share capital of the Company to be issued pursuant to the exercise of options which may be granted under the Refreshed Scheme Mandate Limit (as defined below), the refreshment of the limit in respect of the granting of share options under the existing share option scheme (the “**Scheme**”) of the Company adopted on 21 December 2009 up to a new 10 per cent limit (the “**Refreshed Scheme Mandate Limit**”) be approved provided that:

- (a) the total number of shares in the share capital of the Company which may be issued upon exercise of options to be granted under the Scheme after the date of the passing of this resolution, together with all options to be granted under any other share option scheme(s) of the Company on or after the date of passing this resolution, must not exceed 10 per cent of the number of shares in the share capital of the Company in issue as at the date of passing this resolution;

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- (b) options granted prior to the date of passing this resolution under the Scheme or any other share option scheme(s) of the Company (including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Scheme or such other scheme(s) of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit; and
 - (c) any director of the Company be and is hereby authorised to do such act and execute such document to effect the Refreshed Scheme Mandate Limit.”
8. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:
- (i) “**THAT** the memorandum of association of the Company be amended in the following manner:–
 - (a) By deleting the phrase “the Companies Law (2000 Revision)” and substituting therefor with the phrase “the Companies Law (2010 Revision)” for all references to the Companies Law in the memorandum of association;
 - (b) By deleting the following words from the beginning of the existing paragraph 8:

“The share capital of the Company is HK\$100,000 divided into 1,000,000 shares of a nominal or par value of HK\$0.10 each”

and substituting therefor with the following words:

“The share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 ordinary shares of a nominal or par value of HK\$0.01 each”;
 - (ii) “**THAT** the articles of association of the Company be amended in the following manner:
 - (a) By deleting the phrases “the Companies Law (2001 Second Revision)”, “the Companies Law (2000 Revision)” and “the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised” and substituting therefor with the phrase “The Companies Law (2010 Revision)” for all references to the Companies Law in the articles of association;

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- (b) By inserting the following new definitions in Article 1(A) in alphabetical order:

“business day”	“business day” shall mean any day on which the Stock Exchange is open for the business of dealing in securities. Where the Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a “business day”;
“the Companies Ordinance”	“the Companies Ordinance” shall mean The Companies Ordinance (Cap. 32 of the laws of Hong Kong) as in force from time to time;
“Company’s Website”	“Company’s website” shall mean the website of the Company, the address or domain name of which the corporate information (including corporate communication) of the Company is hoisted;
“electronic”	“electronic” shall have the meaning given to it in the Electronic Transactions Law;
“electronic means”	“electronic means” includes sending or otherwise making available to the intended recipients of the communication in electronic format;
“Electronic Signature”	“Electronic Signature” shall mean an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;
“Electronic Transactions Law”	“Electronic Transactions Law” shall mean the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;

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“Listing Rules” “Listing Rules” shall mean the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;

“published on the Stock Exchange’s website” “published on the Stock Exchange’s website” shall mean published in English and Chinese on the Stock Exchange’s website in accordance with the Listing Rules;

- (c) By amending the following definitions in Article 1(A) in alphabetical order:

“the Companies Law” “the Companies Law” shall mean The Companies Law (2010 Revision), Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted thereof;

“holding company” and “subsidiary” “holding company” and “subsidiary” shall have the meanings ascribed to them by section 2 of the Companies Ordinance as in force at the adoption of these Articles;

“writing” or “printing” “writing” or “printing” shall include writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form; and only where used in connection with a notice served by the Company on shareholders or other persons entitled to receive notices hereunder, shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference.

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- (d) By inserting the following new paragraph in Article 1(B):

“(H) Sections 8 and 19 of the Electronic Transactions Law shall not apply.”

- (e) By renumbering the existing Article 17(C) to Article 17(D), replacing the wordings “stock exchange in Hong Kong” therein by “Stock Exchange” and deleting the phrase “(Cap.32 of the Laws of Hong Kong)”.

- (f) By inserting the following paragraph as Article 17(C):

“(C) For so long as any shares are listed on the Stock Exchange, title to such listed shares may be evidenced and transferred in accordance with the Listing Rules that are or shall be applicable to such listed shares. The register of members maintained by the Company in respect of such listed shares (whether the principal register or a branch register) may be kept by recording the particulars required by Section 40 of the Companies Law in a form otherwise than legible (provided it is capable of being reproduced in a legible form) if such recording otherwise complies with the Listing Rules that are or shall be applicable to such listed shares.”

- (g) By inserting the following paragraph as Article 17(E):

“(E) The register may, on 14 days’ notice (or on 6 business days’ notice in the case of a rights issue) being given by advertisement published on the Stock Exchange’s Website, or, subject to the Listing Rules by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by insertion in the Newspapers, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the shareholders may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of these Articles with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed. In the event that there

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is an alteration of book closure dates, the Company shall give at least 5 business days' notice in accordance with the procedures set out in this Article.”

- (h) By deleting the following words from the end of the existing Article 29:

“inserted at least once in the Newspapers”

and substituting therefor with the following words:

“published on the Stock Exchange’s website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or inserted in the Newspapers”;

- (i) By deleting the existing Article 47 in its entirety and substituting therefor with the following new Article 47:

“The registration of transfers may, on 14 days’ notice (or on 6 business days’ notice in the case of a rights issue) being given by advertisement published on the Stock Exchange’s Website, or, subject to the Listing Rules by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by insertion in the Newspapers, be suspended and the register closed at such times and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the shareholders may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). In the event that there is an alteration of book closure dates, the Company shall give at least 5 business days’ notice before the announced closure, or the new closure, whichever is earlier. If, however, there are exceptional circumstances (e.g. during a Number 8 or higher typhoon signal and black rainstorm warning) that render the giving of such publication of advertisement impossible, the Company shall comply with these requirements as soon as practicable.”

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- (j) By deleting existing Article 65 in its entirety and replacing by the following new Article 65:

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

- (i) in the case of a meeting called as the annual general meeting, by all the shareholders entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.”
- (k) By deleting the existing Article 72 in its entirety and substituting therefor with the following new Article 72:

“At any general meeting a resolution put to the vote of a meeting shall be decided on a poll.”

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- (l) By deleting the existing Article 73 in its entirety and substituting therefor with the following new Article 73:

“(intentionally left blank)”

- (m) By deleting the existing Article 74 in its entirety and substituting therefor with the following new Article 74:

“A poll shall (subject as provided in Article 75) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was taken, as the Chairman of the meeting directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules and/or the Stock Exchange.”

- (n) By deleting the existing Article 75 in its entirety and substituting therefor with the following new Article 75:

“Any question of adjournment shall be taken at the meeting and without adjournment.”

- (o) By deleting the existing Article 76 in its entirety and substituting therefor with the following new Article 76:

“In the case of an equality of votes, the Chairman of the meeting at which the poll is taken, shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive.”

- (p) By deleting the existing Article 77 in its entirety and substituting therefor with the following new Article 77:

“(intentionally left blank)”

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- (q) By renumbering the existing Article 79 as Article 79(A) and adding the wordings “to Article 79(B) and” right after “Subject” at the beginning of this article.
- (r) By inserting the following new paragraph as Article 79(B):

“(B) Where any shareholder, under the Listing Rules or required by of the Stock Exchange, is required to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.”
- (s) By renumbering the existing Article 83(A) as Article 83 and deleting the existing Article 83(B) in its entirety;
- (t) By deleting the phrase “on a show of hands” in the last sentence of Article 92(B);
- (u) By inserting the wordings “or email or other form of electronic communication” right after the wordings “in person orally or in writing or by telephone or by telex or telegram” in the existing Article 134.
- (v) By inserting the following paragraph as the new Article 167A:

“If any such cheque or warrant has been, or shall be alleged to have been, lost, stolen or destroyed, the Board may, at the request of the person(s) entitled to it, issue a replacement cheque, warrant or other financial instrument or other form of payment subject to compliance with such conditions as to evidence and indemnity and the payment of such out-of-pocket expenses incurred by the Company in connection with the request as the Board may think fit.”

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- (w) By deleting the existing Article 180 in its entirety and substituting therefor with the following new Article 180:

“Any notice or document to be given or issued under these Articles shall be in writing, and may be served by the Company on any shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by delivering or leaving it at such registered address as aforesaid or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the shareholder to the Company provided that the Company has obtained either (a) the shareholder’s prior express positive confirmation in writing or (b) the shareholder’s deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of a notice) by advertisement published in the manner prescribed under the Listing Rules. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice, to all the joint holders. Any notice or document whether or not given or issued under these Articles may also be served by the Company on any shareholder at his electronic address or website as appearing in the Register (if any) or at any other electronic address or website supplied by him to the Company for the purpose of such transmission.”

- (x) By replacing the wordings “by advertisement in the Newspapers” with the wordings “advertisement published in the manner as prescribed under the Listing Rules” in the existing Article 181(B).

- (y) By deleting the existing Article 182(B) in its entirety and substituting therefor with the following new Article 182(B):

“Any notice or document sent by electronic transmission means as provided herein shall be deemed to have been served on the day on which the notice is sent successfully transmitted.”

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- (z) By deleting the existing Article 182(C) in its entirety and substituting therefor with the following new Article 182(C):

“A notice served by advertisement in the manner prescribed under the Listing Rules shall be deemed to have been served on the day on which the notice is first published.”

- (aa) By deleting the existing Article 186 in its entirety and substituting therefor with the following new Article 186:

“The signature to any notice or document to be given by the Company may be written or printed by means of facsimile or, where relevant, by Electronic Signature.”

- (bb) By deleting existing Article 192 in its entirety and replacing by the following new Article 192:

“Without prejudice to the rights of the Company under Article 193, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered. The provisions of this Article shall apply to certificates of and other documents or evidence of title to, and proceeds of realisation of, distributions on shares other than money.”

- (cc) By deleting the existing Article 193A(ii) in its entirety and substituting therefor with the following new Article 193A(ii):

“(ii) upon expiry of the 12-year period, the Company has caused an advertisement to be inserted in the Newspapers or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, of its intention to sell such shares and a period of three months has elapsed since the date of such advertisement (or, if published more than once, the first thereof) and the Stock Exchange has been notified of such intention;”

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- (iii) “**THAT** the amended and restated memorandum and articles of association of the Company consolidating all of the proposed amendments referred to in paragraphs (i) and (ii) above and all previous amendments made pursuant to resolutions passed by the shareholders of the Company at general meetings in the form produced to the meeting, a copy of which has been produced to this meeting and marked “A” and initialled by the chairman of this meeting for the purpose of identification, be approved and adopted as the amended and restated memorandum and articles of association of the Company in substitution for and to the exclusion of all the existing memorandum and articles of association of the Company with immediate effect.”

By order of the Board
Heng Tai Consumables Group Limited
LAM Kwok Hing
Chairman

Hong Kong, 28 October 2011

Registered office:

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

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

31st Floor
Guangdong Finance Building
88 Connaught Road West
Sheung Wan
Hong Kong

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Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy can vote on a poll. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, and deposit the same at the Branch Share Registrar and transfer office of the Company in Hong Kong, Union Registrars Limited, at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof.
3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish.
4. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the shareholders at a general meeting must be taken by poll. Therefore, the Chairman of the meeting will demand that all resolutions will be voted by way of poll at the meeting.
5. The register of members of the Company will be closed from Friday, 2 December 2011 to Monday, 5 December 2011 (both days inclusive) during which no transfer of Shares will be registered. In order to qualify for attending and voting at the AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar of the Company, Union Registrars Limited at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on Thursday, 1 December 2011.