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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 the Company, you should at once hand this circular and the accompanying proxy form 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 the Company.

**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: 00197)*

- (1) RE-ELECTION OF DIRECTORS;**
- (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;**
- (3) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT;**
- (4) PROPOSED SHARE CONSOLIDATION; AND**
- (5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of the Company to be held at Kowloon Room I, Mezzanine Floor, Kowloon Shangri-La Hotel, 64 Mody Road, Kowloon, Hong Kong on Tuesday, 29 December 2015 at 10:30 a.m. is set out on pages 20 to 24 of this circular. A proxy form for use at the AGM is enclosed with this circular and is also published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.hengtai.com.hk.

Whether or not you are able to attend the AGM, you are advised to complete the proxy form in accordance with the instructions printed thereon and deposit the same at the Branch Share Registrar, Union Registrars Limited, at A18/F., Asia Orient Tower, 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 proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

27 November 2015

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Accompanying document – Proxy form for the AGM

EXPECTED TIMETABLE

Latest time for lodging the transfer of shares for entitlements to attend and vote at the AGM	4:00 p.m. on Thursday, 24 December 2015
Latest time for lodging the proxy forms for use at the AGM	10:30 a.m. on Sunday, 27 December 2015
Closure of Register	Monday, 28 December 2015 to Tuesday, 29 December 2015 (both dates inclusive)
Record Date for determination of entitlements to the AGM	Tuesday, 29 December 2015
Date and time of the AGM	10:30 a.m. on Tuesday, 29 December 2015
Announcement of the poll results of the AGM to be posted on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.hengtai.com.hk	after 4:00 p.m. on Tuesday, 29 December 2015
<p style="text-align: center;"><i>The following events are conditional upon the fulfilment of the conditions for the implementation of the Proposed Share Consolidation as set out in the sub-section headed "Conditions of the Proposed Share Consolidation" in this circular.</i></p>	
Effective date of the Share Consolidation	Wednesday, 30 December 2015
First day of free exchange of existing share certificates for the Shares or the Shares for new share certificates for the Consolidated Shares	Wednesday, 30 December 2015
Dealings in Consolidated Shares commence	9:00 a.m. on Wednesday, 30 December 2015
Original counter for trading in existing Shares in board lot of 5,000 Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Wednesday, 30 December 2015
Temporary counter for trading in Consolidated Shares in board lot of 500 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Wednesday, 30 December 2015
Original counter for trading in Consolidated Shares in board lot of 5,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Thursday, 14 January 2016

EXPECTED TIMETABLE

Parallel trading in Consolidated Shares (in the form of existing share certificates and new share certificates) commences	9:00 a.m. on Thursday, 14 January 2016
Designated broker starts to stand in the market to provide matching services for odd lot of Consolidated Shares	9:00 a.m. on Thursday, 14 January 2016
Temporary counter for trading in Consolidated Shares in board lot of 500 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m. on Wednesday, 3 February 2016
Parallel trading in Consolidated Shares (in the form of new share certificates and existing share certificates) ends	4:00 p.m. on Wednesday, 3 February 2016
Designated broker ceases to stand in the market to provide matching services for odd lot of Consolidated Shares	4:00 p.m. on Wednesday, 3 February 2016
Last day for free exchange of existing share certificates for the existing Shares or the Shares for new share certificates for the Consolidated Shares	Thursday, 11 February 2016

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 by way of announcement(s) at the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.hengtai.com.hk, 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 Kowloon Room I, Mezzanine Floor, Kowloon Shangri-La Hotel, 64 Mody Road, Kowloon, Hong Kong on Tuesday, 29 December 2015 at 10:30 a.m.
“AGM Notice”	the notice dated 27 November 2015 convening the AGM set out on pages 20 to 24 of this circular
“AGM Record Date”	Tuesday, 29 December 2015, 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
“associate”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Branch Share Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited, at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong
“BVI”	British Virgin 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 its issued Shares are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to this term under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) of par value of HK\$0.10 each in the share capital of the Company immediately upon the Proposed Share Consolidation becoming effective
“controlling shareholder”	has the meaning ascribed to this term under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

DEFINITIONS

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and/or deal with Shares in the manner set out in the ordinary resolution number 4 of the AGM Notice
“Latest Practicable Date”	24 November 2015, 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
“Options”	the options granted and remaining outstanding under the Share Option Scheme to subscribe for Shares in accordance with the terms thereof
“Optionholders”	holders of the Options
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Proposed Refreshment”	the proposed refreshment of the Scheme Mandate Limit under the Share Option Scheme at the AGM
“Proposed Share Consolidation”	the proposed share consolidation of every ten Shares of HK\$0.01 each into one Consolidated Share of HK\$0.10 each, fractional entitlements to be disregarded
“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 exercise the powers of the Company to repurchase Shares up to a maximum number equivalent to 10% of the number of shares in issue in the manner set out in the ordinary resolution number 5 of the AGM Notice

DEFINITIONS

“Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all options that may be granted under the Share Option Scheme which shall not in aggregate exceed 10% of the number of 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
“Shareholder(s)”	holder(s) of the Shares
“Share Option Scheme”	the share option scheme of the Company adopted on 21 December 2009
“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
“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: 00197)

Executive Directors:

Mr. Lam Kwok Hing (*Chairman*)

Ms. Lee Choi Lin Joecy

Ms. Hung Sau Yung Rebecca

Ms. Gao Qin Jian

Non-executive Director:

Ms. Chan Yuk Foebe

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

27 November 2015

To the Shareholders, and for information purpose, the Optionholders

Dear Sirs or Madam

- (1) RE-ELECTION OF DIRECTORS;**
- (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;**
- (3) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT;**
- (4) PROPOSED SHARE CONSOLIDATION; AND**
- (5) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

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

At the AGM, resolutions will be proposed for the Shareholders to approve, inter alia, (i) the re-election of Directors; (ii) the grant of the Issue Mandate; (iii) the grant of the Repurchase Mandate; and (iv) the extension of the Issue Mandate to include Shares that may be repurchased pursuant to the Repurchase Mandate; (v) the Proposed Refreshment; and (vi) the Proposed Share Consolidation.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

According to Article 108, one-third of the Directors for the time being, or if their number is not three or 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, three directors, Ms. Hung Sau Yung Rebecca, Ms. Gao Qin Jian and Mr. Poon Yiu Cheung Newman, will retire from their offices by rotation at the AGM and all of them will be eligible to offer themselves for re-election. Separate ordinary resolutions will be proposed for each of their re-elections and their particulars are set out in Appendix I to this circular. Mr. Poon Yiu Cheung Newman, has been serving as an independent non-executive Director for more than 9 years, the reasons for the Board believing that he is still independent and should be re-elected are also set out in Appendix I to this circular.

3. THE ISSUE MANDATE AND THE REPURCHASE MANDATE

The Issue 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.

The Issue Mandate

As at the Latest Practicable Date, the Company has an aggregate of 7,503,480,919 Shares in issue.

Subject to the passing of the proposed resolution to grant the Issue 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 1,500,696,183 Shares, representing 20% of the number of issued Shares at the time of the passing of the resolution approving the Issue 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 Issue Mandate set out above by the number of Shares which may be repurchased by the Company under the Repurchase Mandate as described below.

LETTER FROM THE BOARD

The Directors have no immediate plan to issue any new Shares other than the Consideration Shares and Shares which may fall to be issued under the 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 750,348,091 Shares, representing 10% of the number of 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.

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 on 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.

4. THE PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

The Company adopted the Share Option Scheme pursuant to an ordinary resolution passed at the annual general meeting on 21 December 2009. The existing Scheme Mandate Limit is 545,537,589 Shares, being 10% of the number of Shares then in issue pursuant to the ordinary resolution passed by the Shareholders on the annual general meeting of the Company dated 21 December 2012.

Pursuant to the Scheme Mandate Limit refreshed on 21 December 2012, a total of 512,133,956 Options were granted, of which 33,634,686 Options were cancelled, 8,000,000 Options were exercised, 470,499,270 were outstanding and none of the Options was lapsed, and therefore a further of 33,403,633 Options which may be converted into same number of Shares may be granted under the existing Scheme Mandate Limit and have not been utilised as at the Latest Practicable Date. Other than Share Option Scheme, there is no other share option scheme of the Company remains in force.

Pursuant to the terms of the Share Option Scheme and the Listing Rules, the Scheme Mandate Limit may be refreshed by an ordinary resolution of the Shareholders in general meeting from time to time provided that:

- (i) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of such Shareholder's approval of the Proposed Refreshment;
- (ii) Options previously granted under the Share Option Scheme or any other share option scheme(s) (including options outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed; and

LETTER FROM THE BOARD

- (iii) the aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share options scheme(s) of the Company must not exceed 30% of the total number of Shares in issue from time to time.

The total number of outstanding Options as at the Latest Practicable Date was 534,444,270, out of which 63,945,000 Options were granted under the Scheme Mandate Limit prior to 21 December 2012, and 470,499,270 Options were granted under the Scheme Mandate Limit refreshed on 21 December 2012. Upon exercise of all the 534,444,270 Options, the same number of Shares, representing approximately 7.12% of the issued share capital of the Company as at the Latest Practicable Date, would fall to be issued.

Details of the outstanding Options as at the Latest Practicable Date are set out below:

Name or category of participants	Number of outstanding Options	Exercise period	Exercise price <i>HK\$</i>
Executive directors			
Ms. Hung Sau Yung, Rebecca	30,000,000	16 January 2015 to 15 January 2020	0.0914
Ms. Gao Qin Jian	30,000,000	16 January 2015 to 15 January 2020	0.0914
Non-executive director			
Ms. Chan Yuk, Foebe	20,833,281	15 June 2011 to 14 June 2016	0.5720
Independent non-executive directors			
Mr. John Handley	20,000,000	16 January 2015 to 15 January 2020	0.0914
Mr. Poon Yiu Cheung, Newman	15,000,000	16 January 2015 to 15 January 2020	0.0914
Ms. Mak Yun Chu	20,000,000	16 January 2015 to 15 January 2020	0.0914
Employees (in aggregate)	80,000,000	16 January 2015 to 15 January 2020	0.0914
Other eligible participants (in aggregate)	20,833,281	15 June 2011 to 14 June 2016	0.5720
	13,888,854	1 January 2012 to 31 December 2016	0.5720
	13,888,854	1 January 2013 to 31 December 2017	0.5720
	270,000,000	16 January 2015 to 15 January 2020	0.0914
Total	534,444,270		

The Directors consider the refreshment of the Scheme Mandate Limit will enable the Company to grant options to the eligible persons as incentives or rewards for their contribution to the Group when the Board thinks fit.

LETTER FROM THE BOARD

Therefore, it is proposed that the Scheme Mandate Limit be refreshed to a number representing 10% of the total number of the issued Shares as at the date of approval of the refreshment of the Scheme Mandate Limit. Based on 7,503,480,919 Shares in issue as at the Latest Practicable Date and assuming that, prior to the AGM, no Shares are issued or repurchased by the Company, the Scheme Mandate Limit will be refreshed to 750,348,091 Shares upon the passing of the ordinary resolution approving the refreshment of the Scheme Mandate Limit at the AGM.

As at the Latest Practicable Date, 534,444,270 Options remained outstanding. Assuming that the Proposed Refreshment is approved to grant 750,348,091 options, the total number of Shares which may be issued upon exercise of all outstanding Options, together with the options that fall to be granted under the Proposed Refreshment, will be 1,284,792,361 Shares, representing approximately 17.12% of the Shares in issue as at the Latest Practicable Date and will not exceed the overall limit of 30% of the Shares in issue.

As required by the Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the AGM to approve the refreshment of the Scheme Mandate Limit such that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company is equivalent to 10% of the total number of Shares in issue as at the date of approval of the refreshment of the Scheme Mandate Limit by the Shareholders.

The refreshment of the Scheme Mandate Limit is conditional on:

- (i) the Shareholders passing an ordinary resolution by way of poll pursuant to the Listing Rules to approve the refreshment of the Scheme Mandate Limit at the AGM; and
- (ii) the Stock Exchange granting the approval for listing of, and permission to deal in, any new Shares (representing a maximum of 10% of the number of Shares in issue as at the date of approval of the resolution at the AGM) which may fall to be issued upon the exercise of all options that may be granted under the Proposed Refreshment.

Application will be made to the Stock Exchange for the listing of, and permission to deal in any Shares that may be issued upon exercise of the options that may be granted under the Proposed Refreshment.

5. THE PROPOSED SHARE CONSOLIDATION

The Company proposes to implement the Proposed Share Consolidation by consolidating every ten issued and unissued Shares of HK\$0.01 each in the share capital of the Company into one Consolidated Share of HK\$0.10 each, and fractional entitlements will be disregarded.

Effect of the Proposed Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Shares, of which 7,503,480,919 Shares had been allotted and issued as fully paid or credited as fully paid. Assuming no further Shares will be issued and/or repurchased from the Latest Practicable Date to the effective date of the Proposed Share Consolidation, upon the Proposed Share Consolidation having become effective, the authorised share capital of the Company will be HK\$100,000,000 divided into 1,000,000,000 Consolidated Shares of HK\$0.10 each, of which up to 750,348,091 Consolidated Shares will be in issue. On the same

LETTER FROM THE BOARD

premise, the Scheme Mandate Limit will be refreshed to 75,034,809 Consolidated Shares after the passing of the ordinary resolution approving the refreshment of the Scheme Mandate Limit at the AGM and upon the Proposed Share Consolidation having become effective.

All Consolidated Shares will rank pari passu with each other in all respects and the rights attached to the Consolidated Shares will not be affected by the Proposed Share Consolidation.

Any fractional Consolidated Share to which an individual Shareholder is entitled to will not be issued by the Company to such Shareholder, but will be aggregated, sold (if a premium, net of expenses, can be obtained) and retained for the benefit of the Company, if feasible and applicable.

Save for the necessary expenses for the implementation of the Proposed Share Consolidation which are expected to be insignificant in the context of the net asset value of the Company, the implementation of the Share Consolidation will not alter the underlying assets, business operation, management or financial position of the Company or the interests and rights of the Shareholders.

Assuming the proposed resolutions to grant the Issue Mandate and the Repurchase Mandate are passed, and no further Shares will be issued and/or repurchased from the Latest Practicable Date to the date of the AGM, upon the Proposed Share Consolidation having become effective, the Company would be allowed to allot and issue up to a maximum of 150,069,618 Consolidated Shares and to repurchase up to a maximum of 75,034,809 Consolidated Shares respectively.

Conditions of the Proposed Share Consolidation

The Proposed Share Consolidation is conditional upon:

- (a) the passing by the Shareholders of an ordinary resolution to approve the Proposed Share Consolidation at the AGM; and
- (b) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Proposed Share Consolidation becoming effective.

The Share Consolidation shall become effective after the conditions of the Proposed Share Consolidation mentioned above are fulfilled, which is expected to be on Wednesday, 30 December 2015.

Application for Listing of the Consolidated Shares

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated 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 Consolidated 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.

LETTER FROM THE BOARD

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Reasons for the Proposed Share Consolidation

The Company noted that under Rule 13.64 of the Listing Rules, where the market price of the securities of the Company approaches the extremities of HK\$0.01, the Stock Exchange reserves the right to require the Company either to change the trading method or consolidate the Shares.

The Company also noted that the Shares have been trading less than HK\$0.10 in recent months and accordingly the costs per board lot of 5,000 Shares were less than HK\$500.

As such, the Company considers it would be in the interests of the Company and the Shareholders as a whole to carry out the Proposed Share Consolidation so that the market price per Consolidated Share immediately thereafter will be moved away from such extremity on the one hand, the overall transaction costs of dealing in the Consolidated Shares with a board lot of 5,000 Consolidated Shares may also be reduced as compared with dealing in ten board lots of 5,000 Shares on the other hand. The Proposed Share Consolidation will also increase the nominal value of the Consolidated Shares and will reduce the total number of shares of the Company in issue.

Furthermore, the Proposed Share Consolidation will facilitate the Company to conduct future fund raising activities without the need to seek prior shareholders' approval for shares consolidation in future if the market price at that time would be close to the extremity. As at the Latest Practicable Date, the Company has no intention to conduct future fund raising activities.

Free exchange of share certificates and trading arrangement

Subject to the Proposed Share Consolidation becoming effective, Shareholders may, from Wednesday, 30 December 2015 to Thursday, 11 February 2016 (both days inclusive), submit certificates for the existing Shares to the Branch Share Registrar,

Union Registrars Limited
A18/F., Asia Orient Tower,
Town Place, 33 Lockhart Road, Wanchai, Hong Kong

for exchange, at the expense of the Company, for certificates for the Consolidated Shares. Thereafter, certificates for the existing Shares will be accepted for exchange only on payment of a fee of the higher of HK\$2.50 or such other amount as may from time to time be specified by the Stock Exchange for each certificate issued or cancelled. Certificates for the existing Shares will continue to be good evidence of legal title and may be exchanged for certificates for the Consolidated Shares at any time after the specified time at the expense of the Shareholders.

The new share certificates for the Consolidated Shares will be green in colour so as to be distinguished from the existing share certificates for the Existing Shares which are brown in colour.

LETTER FROM THE BOARD

Odd lots arrangements and matching services

In order to facilitate the trading of odd lots of the Consolidated Shares arising from the Proposed Share Consolidation, the Company has appointed Cinda International Securities Limited as the agent to provide matching services for sale and purchase of odd lots of the Consolidated Shares on a best effort basis during the period from 9:00 a.m. on Thursday, 14 January 2016 to 4:00 p.m. on Wednesday, 3 February 2016.

Shareholders holding the Consolidated Shares in odd lots who wish to take advantage of the odd lot trading arrangement either to dispose of their odd lots of the Consolidated Shares or to top-up their odd lots to a full new board lot may directly or through their broker contact Leung Siu Wa of Cinda International Securities Limited at 45/F, COSCO Tower, 183 Queen's Road Central, Hong Kong (Telephone number: (852) 2235 7801) during the aforesaid period. Shareholders holding the Consolidated Shares in odd lots should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is on a best effort basis and successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders are recommended to consult their professional advisers if they are in doubt about the odd lot trading arrangement.

Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed.

Board lot size

Currently, the Shares are traded on the Stock Exchange in the board lot size of 5,000 Shares. Upon the Proposed Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain as 5,000 Consolidated Shares.

Based on the closing price of HK\$0.079 per Share (equivalent to the theoretical closing price of HK\$0.79 per Consolidated Share) as at the Latest Practicable Date, the value of each board lot of the Shares is HK\$395 and the theoretical market value of each board lot of the Consolidated Shares, assuming the Proposed Share Consolidation had already been effective, would be HK\$3,950.

Adjustments in relation to the Share Options

As at the Latest Practicable Date, the Company has 534,444,270 outstanding Options granted under the Share Option Scheme, which entitle holders thereof to subscribe for 534,444,270 Shares. The Proposed Share Consolidation may cause adjustments to the exercise prices of the Options and the number of Consolidated Shares to be issued under the outstanding Options pursuant to the terms and conditions of the Options and under the terms and conditions of the Share Option Scheme. Assuming there is no other adjustment event under the Share Option Scheme other than the Proposed Share Consolidation becoming effective, the outstanding Options will entitle holders thereof to subscribe for up to 53,444,427 Consolidated Shares.

Save for the Options, there are no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convertible or exchangeable into Shares.

LETTER FROM THE BOARD

6. THE AGM AND CLOSURE OF REGISTER FOR THE AGM

The AGM will be held at Kowloon Room I, Mezzanine Floor, Kowloon Shangri-La Hotel, 64 Mody Road, Kowloon, Hong Kong on Tuesday, 29 December 2015 at 10:30 a.m. The AGM Notice giving you notice of the AGM is set out on pages 20 to 24 of this circular.

A proxy form for use at the AGM is enclosed with this circular and is also published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.hengtai.com.hk. Whether or not you are able to attend the AGM, you are advised to complete the proxy form in accordance with the instructions printed thereon and deposit the same at the Branch Share Registrar,

Union Registrars Limited

**A18/F., Asia Orient Tower,
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 proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

All resolutions set out in the AGM Notice will be decided by poll in accordance with the Articles of Association and the Listing Rules, 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. For the purpose of the Listing Rules, procedural or administrative matters are those that:

- (1) are not on the agenda of the AGM or in any supplementary circular to members; and
- (2) which relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing the Shareholders a reasonable opportunity to express their views.

The Register will be closed from Monday, 28 December 2015 to Tuesday, 29 December 2015 (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, 24 December 2015.

Shareholders whose names appear on the Register on the AGM Record Date will be entitled to attend and vote at the AGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the matters to be proposed at the AGM or is required to abstain from voting.

LETTER FROM THE BOARD

7. 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.

8. 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 Issue 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 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 2015, 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 will enable the Group to continue rewarding the staff and eligible persons for their contributions to the Group under the Share Option Scheme.

The Directors consider the Proposed Share Consolidation is in the interests of the Company and its shareholders as a whole as set out in “Reasons for the Proposed Share Consolidation” above.

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 Issue Mandate, the Repurchase Mandate, the Proposal Refreshment and the Proposed Share Consolidation 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

Ms. Hung Sau Yung Rebecca

Ms. Hung Sau Yung Rebecca, aged 49, has been appointed the Executive Director since January 2012. Ms. Hung received her Bachelor Degree in Business majoring in accounting from Queensland University of Technology in Australia. Ms. Hung has over 20 years of experience in accounting and administration. Prior to joining the Group in 1998, she worked as an administration and accounting manager in a Hong Kong trading company. Ms. Hung is also the General Manager of the Group overseeing the Group's administration and accounting.

Ms. Hung has not held any other directorships in listed public companies in the past three years nor does she have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Hung held 30,000,000 Options. The exercise of these Options in full on the Latest Practicable Date would result in her interests in 30,000,000 Shares, representing approximately 0.40% of the entire issued share capital of the Company. Save as disclosed above, Ms. Hung was not interested in any Shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Ms. Hung has entered into a service agreement with the Company for a term of three years commencing on 1 January 2015. She is subject to retirement by rotation and re-election at annual general meetings at least once for every three years in accordance with the Articles of Association. Pursuant to the service agreement, Ms. Hung is entitled to receive a director's emolument which was determined by reference to her duties and responsibilities to the Company and is reviewed by the Remuneration Committee from time to time. For the financial year ended 30 June 2015, Ms. Hung received a director's emolument of HK\$1,443,000 and an equity-settled share-based payment of HK\$788,000.

Save for the information set out above, there is no information relating to Ms. Hung that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of Shareholders in respect of Ms. Hung who stands for re-election at the AGM.

Ms. Gao Qin Jian

Ms. Gao Qin Jian, aged 55, has been appointed the Executive Director since January 2012. She also held certain directorships in the subsidiaries of the Company. Ms. Gao received her Bachelor Degree in Business, majoring in business administration from Fudan University in the PRC. Ms. Gao has over 20 years of experience in accounting and finance, as well as extensive managerial experience in the distribution and logistics industries. Prior to joining the Group in 2004, she was the deputy general manager of one of the renowned retail chain stores in the PRC. Ms. Gao is also the General Manager of the Group overseeing the Group's FMCG Trading Business and Logistics Services Business in northern and eastern regions of the PRC.

Ms. Gao has not held any other directorships in listed public companies in the past three years nor does she have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Ms. Gao held 30,000,000 Options. The exercise of these Options in full on the Latest Practicable Date would result in her interests in 30,000,000 Shares, representing approximately 0.40% of the entire issued share capital of the Company. Save as disclosed above, Ms. Gao was not interested in any Shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Ms. Gao has entered into a service agreement with the Company for a term of three years commencing on 1 January 2015. She is subject to retirement by rotation and re-election at annual general meetings at least once for every three years in accordance with the Articles of Association. Pursuant to the service agreement, Ms. Gao is entitled to receive a director's emolument which was determined by reference to her duties and responsibilities to the Company and is reviewed by the Remuneration Committee from time to time. For the financial year ended 30 June 2015, Ms. Gao received a director's emolument of HK\$1,017,000 and an equity-settled share-based payment of HK\$788,000.

Save for the information set out above, there is no information relating to Ms. Gao that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of Shareholders in respect of Ms. Gao who stands for re-election at the AGM.

Mr. Poon Yiu Cheung Newman

Mr. Poon Yiu Cheung Newman, aged 61, has been appointed the 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. He is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr. Poon is a senior executive in a multinational insurance company and has over 25 years of experience in insurance and accounting.

Mr. Poon has not held any other directorships in listed public companies in the past three years nor does he have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Poon held 15,000,000 Options. The exercise of these Options in full on the Latest Practicable Date would result in his interests in 15,000,000 Shares, representing approximately 0.20% of the entire issued share capital of the Company. Save as disclosed above, Mr. Poon was not interested in any Shares or underlying shares in or any debentures of the Company or any of its associated corporations 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 commencing on 26 November 2012. He is subject to retirement by rotation and re-election at annual general meetings at least once for every three years in accordance with the Articles of Association. Pursuant to the service agreement, Mr. Poon is entitled to receive a director's fee which was determined by reference to his duties and responsibilities to the Company and is reviewed by the Remuneration Committee from time to time. For the financial year ended 30 June 2015, Mr. Poon was entitled to receive a director's fee of HK\$100,000 and has received an equity-settled share-based payment of HK\$525,000.

The Board noted that Mr. Poon has served the Company for more than 9 years. The Company has continued to receive a written confirmation on his independence from Mr. Poon annually. Mr. Poon fully satisfied with the factors of independence as set out in Rule 3.13 of the Listing Rules and there is no evidence that his tenure has had any impact on his independence. Accordingly, the Board considered that Mr. Poon is still independent and should be re-elected as an independent non-executive Director at the AGM. The re-appointment of Mr. Poon at the AGM will be in accordance with the relevant provision as set out in the Corporate Governance Code in Appendix 14 to the Listing Rules, which requires, inter alia, the approval of a separate resolution by Shareholders.

Save for the information set out above, 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 and there is no other matter that needs to be brought to the attention of Shareholders in respect of Mr. Poon who stands for re-election at the AGM.

This Appendix II serves as an explanatory statement, as required by the Listing Rules, to provide requisite information for you to make informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate at the AGM.

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 and a connected person is prohibited from knowingly selling his/her securities to the Company.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 7,503,480,919 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate, 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 750,348,091 fully paid Shares, representing 10% of the total number of issued Shares as at the date of the AGM.

3. REASONS FOR THE REPURCHASE

Although Directors have no present intention to repurchase any Share, 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 being, lead to an enhancement of net assets per Share and/or earnings per Share. Such repurchase 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 Articles of Association for such purpose.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time being, lead to an enhancement of 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 2015, 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\$)
2014		
November	0.136	0.103
December	0.124	0.082
2015		
January	0.097	0.086
February	0.093	0.078
March	0.100	0.082
April	0.157	0.084
May	0.155	0.117
June	0.218	0.122
July	0.144	0.084
August	0.131	0.080
September	0.092	0.070
October	0.088	0.077
November (up to and including the Latest Practicable Date)	0.085	0.077

6. DISCLOSURE OF INTERESTS

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

Further, no connected persons of the Company have notified the Company that they have present intention to sell any Shares to the Company nor any such connected persons have 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, the Articles of Association and the applicable laws of Cayman Islands and Hong Kong.

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, Directors have no intention to repurchase any Shares under 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 Rules 26 and 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 Asia Limited, a company incorporated in the BVI and wholly owned by Mr. Lam Kwok Hing, who is the Chairman, the Chief Executive Officer and executive Director of the Company, held about 11.67% of the Shares, and World Invest Holdings Limited, a company incorporated in the BVI and wholly owned by Ms. Lee Choi Lin Joecy, who is an executive Director, held about 3.80% of the 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 15.47% 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 17.19% 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 consequences which the exercise in full of the Repurchase Mandate would arise under the Takeovers Code.

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.

THE AGM NOTICE



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: 00197)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**AGM**”) of Heng Tai Consumables Group Limited (the “**Company**”) will be held at Kowloon Room I, Mezzanine Floor, Kowloon Shangri-La Hotel, 64 Mody Road, Kowloon, Hong Kong on Tuesday, 29 December 2015 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 of the Company (the “**Directors**”) and auditor for the financial year ended 30 June 2015;
2.
 - (a) to re-elect Ms. Hung Sau Yung Rebecca as an executive Director;
 - (b) to re-elect Ms. Gao Qin Jian as an executive Director;
 - (c) to re-elect Mr. Poon Yiu Cheung Newman as an independent non-executive Director; and
 - (d) to authorise the board of Directors (“**Board**”) to fix the remuneration of Directors;
3. to re-appoint the Company’s auditor and to authorise the Board 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 (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 number of Shares 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 number of issued Shares on the date of the passing of this resolution; and
 - (bb) (provided that resolutions no. 5 and 6 are passed) the number of issued Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of Shares 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 laws of 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;

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“**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 number of issued 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 number of issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law of 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.”

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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 no. 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 the number of issued Shares repurchased by the Company subsequent to the passing of this resolution, provided that such amount shall not exceed 10 per cent. of the number 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 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 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 must not exceed 10 per cent. of the number of shares of the Company in issue as at the date of passing this resolution;
- (b) options granted prior to the date of passing this resolution under the Scheme (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 an ordinary resolution:

“**THAT** subject to and conditional upon the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares (as hereinafter defined):

- (a) every ten issued and unissued shares of HK\$0.01 each in the capital of the Company be consolidated into one share of HK\$0.10 each (the “**Consolidated Share(s)**”) with effect on the business day following the date on which this resolution is passed (the “**Share Consolidation**”);
- (b) the directors of the Company be authorised to issue new share certificates in respect of the Consolidated Shares to holders of existing shares of the Company pursuant to the Share Consolidation; and

THE AGM NOTICE

- (c) any one of the directors of the Company be and is/are hereby authorised to do all such acts and things, to sign and execute all such further documents and to take such steps as he may in his absolute discretion consider necessary, appropriate, desirable or expedient to carry out or to give effect to or in connection with the Share Consolidation or any transactions contemplated thereunder, including without limitation, to aggregate fractional Consolidated Shares and sell them for the benefit of the Company.”

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

Hong Kong, 27 November 2015

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

Notes:

1. A member of the Company entitled to attend and vote at the AGM 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. If more than one proxy is appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is appointed.
2. In order to be valid, the proxy form 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 A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, (“**Branch Share Registrar**”) 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.
3. Completion and return of a proxy form will not preclude a member from attending in person and voting at the AGM or any adjournment thereof, should he so wish. In such event, the instrument appointing the proxy shall be deemed to be revoked.
4. The register of members of the Company will be closed from Monday, 28 December 2015 to Tuesday, 29 December 2015 (both days inclusive) during which no transfer of Shares will be registered. The record date for determining shareholders of the Company who will be entitled to attend the AGM will be on Tuesday, 29 December 2015. 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, 24 December 2015.
5. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 8:00 a.m. on the date of the AGM, the meeting will be postponed. The Company will post an announcement on the website of Company at www.hengtai.com.hk and on the website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and place of the rescheduled meeting.
6. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.