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

If you have sold or transferred all your shares in Hop Fung Group Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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合豐集團控股有限公司
HOP FUNG GROUP HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
Stock Code: 2320

**PROPOSED GRANTING OF
GENERAL MANDATES TO BUY-BACK SHARES
AND ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Hop Fung Group Holdings Limited to be held at Ming Room I, 4/F, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 9th June, 2014 at 10:30 a.m. is set out on pages 13 to 16 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.hopfunggroup.com).

Whether or not you are able to attend the annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar of the Company in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting or any adjournment thereof if they so wish and, in such event, the form of proxy shall be deemed to be revoked.

24th April, 2014

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Ming Room I, 4/F, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 9th June, 2014, at 10:30 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the annual general meeting which is set out on pages 13 to 16 of this circular, or any adjournment thereof
“Annual Report”	annual report of the Company in respect of the year ended 31st December, 2013
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Buy-back Mandate”	as defined in paragraph 2(a) of the Letter from the Board set out on pages 3 to 6 of this circular
“Company”	Hop Fung Group Holdings Limited 合豐集團控股有限公司, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board set out on pages 3 to 6 of this circular
“Latest Practicable Date”	16th April, 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time

LETTER FROM THE BOARD



合豐集團控股有限公司

HOP FUNG GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2320

Executive Directors:

Mr. Hui Sum Kwok (*Chairman*)
Mr. Hui Sum Ping (*Vice Chairman*)
Mr. Hui Sum Tai (*Chief Executive Officer*)
Ms. Hui Yuen Li

Independent Non-executive Directors:

Mr. Chee Man Sang, Eric
Mr. Yip Kwok Kwan
Mr. Wong Chu Leung

Registered Office:

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

Hong Kong Office:

Workshops E, F and H, 22nd Floor
Superluck Industrial Centre (Phase 2)
No. 57 Sha Tsui Road and
Nos. 30-38 Tai Chung Road, Tsuen Wan
New Territories
Hong Kong

24th April, 2014

To Shareholders

Dear Sir or Madam,

**PROPOSED GRANTING OF
GENERAL MANDATES TO BUY-BACK SHARES
AND ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the granting of the Buy-back Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; (iii) the extension of the Issuance Mandate by adding to it the aggregate nominal amount of the issued Shares repurchased by the Company under the Buy-back Mandate; and (iv) the re-election of the retiring Directors.

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF THE BUY-BACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 3rd June, 2013, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to buy-back Shares on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution (the “Buy-back Mandate”);
- (b) to allot, issue or deal with additional Shares of not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution (the “Issuance Mandate”); and
- (c) to extend the Issuance Mandate by adding the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Buy-back Mandate.

The Buy-back Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in resolutions set out in items 4 and 5 of the notice of the Annual General Meeting. With reference to the Buy-back Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buy-back Mandate. The explanatory statement as required by the Listing Rules in connection with the Buy-back Mandate is set out in the Appendix I to this circular.

Subject to the passing of the resolution set out in item 5 of the notice of the Annual General Meeting in respect of the granting of the Issuance Mandate and on the basis that the issued share capital of the Company remains unchanged up to the date of the Annual General Meeting, the Directors would be authorised under the Issuance Mandate to allot, issue and deal with additional Shares of the Company not exceeding a maximum of 144,877,200 Shares (representing 20% of the Shares in issue as at the Latest Practicable Date) during the period in which the Issuance Mandate remains in force.

LETTER FROM THE BOARD

3. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 87(1), one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting of the Company.

According to the above provision, Mr. Hui Sum Ping, executive Director, and Mr. Yip Kwok Kwan and Mr. Wong Chu Leung, independent non-executive Directors, shall retire from office at the Annual General Meeting and shall be eligible for re-election.

Mr. Wong Chu Leung who has been serving as independent non-executive Director of the Company for more than 9 years, has confirmed his independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Company considers Mr. Wong Chu Leung is still independent in accordance with the independence guidelines as set out in the Listing Rules and will continue to bring valuable business experience, knowledge and expertise to the Board for its efficient and effective functioning.

Details of the retiring Directors are set out in Appendix II of this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 13 to 16 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the Buy-back Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the nominal amount of Shares repurchased pursuant to the Buy-back Mandate and the re-election of the retiring Directors.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. The form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.hopfungroup.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Branch Share Registrar of the Company in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof if you so wish and, in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Directors consider that the proposed granting of the Buy-back Mandate, the proposed granting/extension of the Issuance Mandate and the proposed re-election of the retiring Directors are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Hop Fung Group Holdings Limited
HUI Sum Kwok
Chairman

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Buy-back Mandate.

1. REASONS FOR BUY-BACK OF SHARES

The Directors believe that the granting of the Buy-back Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Buy-back Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 724,386,000 Shares.

Subject to the passing of the ordinary resolution no. 4 set out in the notice of the Annual General Meeting in respect of the granting of the Buy-back Mandate and on the basis that the issued share capital of the Company remains unchanged up to the date of the Annual General Meeting, the Directors would be authorised under the Buy-back Mandate to repurchase a maximum of 72,438,600 Shares (representing 10% of the Shares in issue as at the Latest Practicable Date) during the period in which the Buy-back Mandate remains in force.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the Annual Report) in the event that the Buy-back Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

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

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Messrs Hui Sum Kwok and Hui Sum Ping, the executive Directors of the Company, in aggregate were beneficially interested in 396,342,204 Shares representing 54.71% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Buy-back Mandate, the shareholding of the aforesaid executive Directors would be increased to approximately 60.79% of the issued share capital of the Company.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not consider the exercise of the Buy-back Mandate would reduce the issued share capital in public to less than 25% (or the relevant prescribed minimum percentage required by the Stock Exchange).

6. GENERAL

To the best of their knowledge having made all reasonable enquiries, none of the Directors nor any of their respective associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Buy-back Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Buy-back Mandate in accordance with the Listing Rules and the laws of the Cayman Islands.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the following months were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
April	0.270	0.220
May	0.290	0.240
June	0.300	0.230
July	0.242	0.205
August	0.250	0.221
September	0.290	0.224
October	0.390	0.223
November	0.415	0.300
December	0.395	0.340
2014		
January	0.360	0.300
February	0.365	0.325
March	0.345	0.300
April (up to the Latest Practicable Date)	0.330	0.295

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous six months (whether on the Stock Exchange or otherwise).

The following are details of the Directors who will retire and being eligible offer themselves for re-election at the Annual General Meeting.

Mr. Hui Sum Ping, aged 51, Executive Director

Experience

Mr. Hui Sum Ping is the Vice Chairman of the Board and an executive Director of the Company. Mr. Hui is also a director of the principal subsidiaries of the Company (as stated in the Annual Report), except 東莞進益紙品有限公司 and 合豐紙品(深圳)有限公司. Mr. Hui is a co-founder of the Group and is responsible for the business development of the Group. Mr. Hui has over 29 years of experience in the corrugated packaging industry in Hong Kong and the PRC. Mr. Hui did not hold any other directorship in companies listed in Hong Kong or overseas in the last three years.

Length of service

The length of service of Mr. Hui Sum Ping with the Group is 23 years.

There is a service agreement between Mr. Hui Sum Ping and the Company for a period of two years until 14th September, 2014. Mr. Hui is subject to retirement by rotation and is eligible to re-election in accordance with the Articles of Association of the Company.

Relationships

Mr. Hui Sum Ping is a brother of Mr. Hui Sum Kwok (executive Director, Chairman of the Board and substantial Shareholder of the Company) and Mr. Hui Sum Tai (executive Director and Chief Executive Officer of the Company).

Interests in shares

As at the Latest Practicable Date, Mr. Hui Sum Ping was interested or deemed to be interested in 407,010,793 Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the service agreement entered into between Mr. Hui Sum Ping and the Company, Mr. Hui is entitled to receive an annual remuneration of HK\$2,293,000, which was determined by the Board and the Remuneration Committee with reference to his expertise and experience in the field. Besides, Mr. Hui is entitled to receive a discretionary bonus to be decided by the Board.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Hui Sum Ping involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Hui that need to be brought to the attention of the Shareholders.

Mr. Yip Kwok Kwan, aged 64, Independent Non-executive Director

Experience

Mr. Yip Kwok Kwan is an independent non-executive Director, member of the Audit Committee and chairman of Nomination Committee of the Company. Mr. Yip has over 32 years of experience in investment, corporate finance, financial advisory and business management. Mr. Yip has a long track record of working with various financial institutions, including UOB Asia (Hong Kong) Limited as a chief executive officer, and DBS Asia Capital Ltd, Hong Kong, DBS Securities (Hong Kong) Ltd., Hong Kong and First Chicago Hong Kong Limited as a managing director. In addition to his appointment to the Company, Mr. Yip is also an independent non-executive director of Powerwell Pacific Holdings Limited, a company listed on the Stock Exchange.

Length of service

The length of service of Mr. Yip Kwok Kwan with the Group is 3.5 years.

There is a service agreement between Mr. Yip Kwok Kwan and the Company for a period of two years until 14th September, 2014. Mr. Yip is subject to retirement by rotation and is eligible to re-election in accordance with the Articles of Association of the Company.

Relationships

Mr. Yip Kwok Kwan does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

Interests in shares

As at the Latest Practicable Date, Mr. Yip Kwok Kwan was interested or deemed to be interested in 2,000,000 Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the service agreement entered into between Mr. Yip Kwok Kwan and the Company, Mr. Yip is entitled to receive a director's fee of HK\$140,000 per annum, which was determined by the Board and the Remuneration Committee with reference to his experience, responsibilities, workload, the time devoted to the Company, the Group's performance and the current market situation.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Yip Kwok Kwan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Yip that need to be brought to the attention of the Shareholders.

Mr. Wong Chu Leung, aged 66, Independent Non-executive Director

Experience

Mr. Wong Chu Leung is an independent non-executive Director and member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr. Wong has over 29 years of experience in enterprise management and manufacturing operation management. Mr. Wong is a shareholder and a director of certain metal ware and plastic ware manufacturing companies/corporations with manufacturing plants located in the PRC. Mr. Wong did not hold any other directorship in the subsidiaries of the Company or in companies listed in Hong Kong or overseas in the last three years.

Length of service

The length of service of Mr. Wong Chu Leung with the Group is 9.5 years.

There is a service agreement between Mr. Wong Chu Leung and the Company for a period of two years until 14th September, 2014. Mr. Wong is subject to retirement by rotation and is eligible to re-election in accordance with the Articles of Association of the Company.

Relationships

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

Interests in shares

As at the Latest Practicable Date, Mr. Wong Chu Leung was interested or deemed to be interested in 2,000,000 Shares or underlying Shares pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the service agreement entered into between Mr. Wong Chu Leung and the Company, Mr. Wong is entitled to receive a director's fee of HK\$140,000 per annum, which was determined by the Board and the Remuneration Committee with reference to his experience, responsibilities, workload, the time devoted to the Company, the Group's performance and the current market situation.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is Mr. Wong Chu Leung involved in any of the matters required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Wong that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



合豐集團控股有限公司

HOP FUNG GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2320

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Hop Fung Group Holdings Limited (the “Company”) will be held at Ming Room I, 4/F, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 9th June, 2014 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company, Directors’ Report and Independent Auditor’s Report for the year ended 31st December, 2013;
2. To re-elect retiring Directors and to authorise the Board of Directors to fix the Directors’ remuneration;
3. To appoint Auditor and to authorise the Board of Directors to fix their remuneration;
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares in accordance with the applicable laws, rules and regulations;
- (b) the total nominal amount of shares of the Company to be purchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from 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 revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Shareholders in general meeting; and

NOTICE OF THE ANNUAL GENERAL MEETING

- (iii) 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 to be held.”

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

“THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the Directors during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorise the Directors to make or grant offers, agreements and options during the Relevant Period which would or 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 by the Directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of this resolution; and

- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Shareholders in general meeting; and

NOTICE OF THE ANNUAL GENERAL MEETING

- (iii) 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 to be held.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions 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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange).”;

6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of shares purchased by the Company pursuant to the mandate referred to in resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution.”

On behalf of the Board

HUI Sum Kwok

Chairman

Hong Kong, 24th April, 2014

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. Any shareholder of the Company entitled to attend and vote at the meeting convened by this notice is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the number of shares in respect of which each such proxy is so appointed must be specified in the relevant form of proxy.
2. To be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's Branch Share Registrar in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting or any adjournment thereof and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. The register of members of the Company will be closed from Thursday, 5th June, 2014 to Monday, 9th June, 2014 (both days inclusive), during which period no transfer of shares of the Company will be registered and no shares will be allotted and issued on the exercise of the subscription rights attaching to the outstanding share options granted by the Company. In order to qualify for attending the Annual General Meeting of the Company, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:00 p.m. on Wednesday, 4th June, 2014.