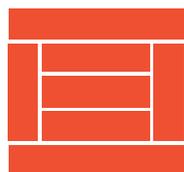

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in EXCEL DEVELOPMENT (HOLDINGS) LIMITED (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



EXCEL DEVELOPMENT (HOLDINGS) LIMITED

怡益控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

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

A notice convening the Annual General Meeting of the Company (the “**AGM**”) to be held at Montparnasse Room I-II, 2/F, Regal Kowloon Hotel, 71 Mody Road, Tsimshatsui, Kowloon, Hong Kong on 15 August 2014 (Friday) at 11:00 a.m. is set out on pages 13 to 17 of this circular. A form of proxy for use at the AGM (or any adjournment thereof) is enclosed herewith.

Whether or not you are able to attend and vote at the AGM (or any adjournment thereof), you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services 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 of the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM (or any adjournment thereof) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

11 July 2014

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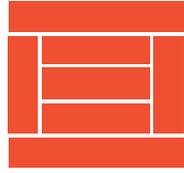
DEFINITIONS

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

“AGM”	the annual general meeting of the Company convened to be held on 15 August 2014 (Friday) or any adjournment thereof, notice of the AGM (or any adjournment thereof) is set out on pages 13 to 17 of this circular
“Articles”	the articles of association of the Company currently in force
“Board”	the board of Directors of the Company (including non-executive Director and independent non-executive Directors)
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Excel Development (Holdings) Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1372)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“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
“Latest Practicable Date”	7 July 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)” or “Member(s)”	holder(s) of the Share(s)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong
“%”	per cent.



EXCEL DEVELOPMENT (HOLDINGS) LIMITED

怡益控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

Directors:

Executive Directors:

Mr. Li Chi Pong (*Chief Executive Officer*)

Mr. Poon Yan Min

Non-executive Director:

Mr. Yau Kwok Fai (*Chairman*)

Independent Non-executive Directors:

Dr. Law Kwok Sang

Professor Patrick Wong Lung Tak, *B.B.S., J.P.*

Ms. Mak Suk Hing

Registered Office:

Cricket Square, Hutchins Drive

PO Box 2681

Grand Cayman

KY1-1111

Cayman Islands

***Head Office and Principal Place
of Business in Hong Kong:***

No. 155 Waterloo Road

Kowloon Tong

Kowloon

Hong Kong

11 July 2014

To the Shareholders,

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the AGM to be held at Montparnasse Room I-II, 2/F, Regal Kowloon Hotel, 71 Mody Road, Tsimshatsui, Kowloon, Hong Kong on 15 August 2014 (Friday) at 11:00 a.m. including (i) granting of the New Issue Mandate to the

LETTER FROM THE BOARD

Directors; (ii) granting of the New Repurchase Mandate to the Directors; (iii) extension of the New Issue Mandate; and (iv) re-election of Directors; and to give you notice of the AGM.

NEW ISSUE MANDATE AND NEW REPURCHASE MANDATE

The current general mandates previously granted to the Directors to issue and repurchase Shares by written resolutions of the then sole shareholder of the Company passed on 21 November 2013 will expire at the conclusion of the AGM. In order to give the Company the flexibility to issue and repurchase Shares if and when appropriate, the following ordinary resolutions will be proposed at the AGM to approve the granting of new general mandates to the Directors:

- (i) to allot, issue or deal with Shares of an aggregate nominal amount not exceeding 20% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$400,000 (equivalent to 40,000,000 Shares) on the basis that the existing issued share capital of the Company of 200,000,000 Shares remains unchanged as at the date of the AGM) (the “**New Issue Mandate**”);
- (ii) to purchase Shares, on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, of an aggregate nominal amount not exceeding 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$200,000 (equivalent to 20,000,000 Shares) on the basis that the existing issued share capital of the Company of 200,000,000 Shares remains unchanged as at the date of the AGM) (the “**New Repurchase Mandate**”); and
- (iii) to extend the New Issue Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the New Repurchase Mandate.

The New Issue Mandate and the New Repurchase Mandate, if granted, will remain effective until 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 law or the Articles to be held; or (iii) the revocation or variation by an ordinary resolution of the Shareholders in general meeting.

In accordance with the requirements of the Listing Rules, the Company shall 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 New Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the New Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with Article 84(1) of the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. All retiring Directors shall be eligible for re-election.

Accordingly, the following Directors shall retire from office by rotation at the AGM:

Name	Position
(i) Mr. Poon Yan Min	Executive Director
(ii) Dr. Law Kwok Sang	Independent Non-executive Director

All of the aforesaid Directors, being eligible, will offer themselves for re-election at the AGM.

The Nomination Committee of the Company has reviewed the re-election of such two Directors and recommended to the Board that the re-election be proposed for shareholders' approval at the AGM. The Nomination Committee has also assessed the independence of all independent non-executive Directors including Dr. Law Kwok Sang whom to be re-elected at the AGM. All the independent non-executive Directors of the Company satisfy the criteria set out in Rule 3.13 of the Listing Rules.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above retiring Directors are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The notice of the AGM, which contains, among others, the ordinary resolutions to approve the New Issue Mandate, the New Repurchase Mandate and the extension of the New Issue Mandate and the re-election of Directors is set out on pages 13 to 17 in this circular.

A form of proxy for use at the AGM (or any adjournment thereof) is enclosed with this circular. Whether or not you are able to attend the AGM (or any adjournment thereof), you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event, no later than 48 hours before the time fixed for holding the AGM (or any adjournment thereof). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM (or any adjournment thereof) should you so desire.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting of the Company must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RESPONSIBILITY OF THE 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.

RECOMMENDATION

The Board believes that the resolutions proposed in the notice of the AGM are in the best interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the AGM (or any adjournment thereof).

MISCELLANEOUS

The English test of this circular shall prevail over the Chinese text in case of discrepancy.

Yours faithfully,
By order of the Board
Yau Kwok Fai
Chairman

This explanatory statement contains the information required under Rule 10.06(1)(b) of the Listing Rules. Its purpose is to provide the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the AGM in relation to the New Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors have no present intention for any repurchase of Shares but are seeking the granting of the New Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The Directors believe that it is in the best interests of the Company, the Group and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company, the Group and the Shareholders.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 200,000,000 Shares.

Subject to the passing of the ordinary resolution granting the New Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the AGM, i.e. being 200,000,000 Shares, the Directors would be authorised under the New Repurchase Mandate to repurchase, during the period in which the New Repurchase Mandate remains in force, Shares of an aggregate nominal amount not exceeding HK\$200,000 (equivalent to 20,000,000 Shares), representing 10% of the aggregate nominal amount of Shares in issue as at the date of the AGM.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of the Cayman Islands.

Pursuant to the New Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including profits of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or out of share premium account or, if authorised by the Articles and subject to the Companies Law, out of capital of the Company and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles and subject to the Companies Law, out of capital of the Company.

The Directors do not propose to exercise the New Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company. 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 financial statements contained in the annual report of the Company for the year ended 31 March 2014) in the event that the New Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period.

4. INTENTION OF DIRECTORS AND CONNECTED PERSONS TO SELL SHARES

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), have any present intention, if the New Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries.

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 Shares to the Company, or that they have undertaken not to do so, in the event that the granting of the New Repurchase Mandate is approved by the Shareholders.

5. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange from 11 December 2013, being the date of listing of the Shares on the Stock Exchange, up to the Latest Practicable Date:

	PER SHARE	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
December (from 11 December 2013)	1.42	1.00
2014		
January	1.23	1.00
February	1.16	0.95
March	1.10	0.91
April	1.20	0.94
May	1.06	0.97
June	1.07	0.96
July (up to the Latest Practicable Date)	1.04	0.96

6. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous 6 months (whether on the Stock Exchange or otherwise).

7. DIRECTORS' UNDERTAKING

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

8. EFFECT OF TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

Assuming that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date to the date of the AGM, on exercise in full of the New Repurchase Mandate, the number of issued Shares will decrease from 200,000,000 to 180,000,000.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the controlling shareholders of the Company (as defined in the Listing Rules) were interested in 150,000,000 Shares representing 75% of the total issued share capital of the Company. In the event that the Directors exercised in full the power to repurchase Shares, which is proposed to be granted pursuant to the New Repurchase Mandate, the shareholding of the controlling shareholders of the Company (namely Vantage International (Holdings) Limited and Mr. Ngai Chun Hung) would be increased to approximately 83.33% of the total issued share capital of the Company. Save as aforesaid, the Directors are not aware of any other consequences which would arise under the Takeovers Code as a consequence of any repurchases made pursuant to the New Repurchase Mandate.

As the exercise of the Repurchase Mandate may result in the Company's public float falling below the prescribed minimum percentage level as required under the Listing Rules, the Directors have no present intention to exercise the power to repurchase Shares.

The profiles of the retiring Directors proposed to be re-elected at the AGM are as follows:

Mr. Poon Yan Min, *Executive Director*

Mr. Poon Yan Min (“**Mr. Poon**”), aged 52, is an executive Director of the Company, responsible for the Group’s implementation of works and the overall management of contracts. Mr. Poon is currently a director of each subsidiary of the Group. Mr. Poon obtained a Bachelor of Science Degree in Engineering from the University of Hong Kong in November 1986 and a Master of Science Degree in Engineering Management from City University of Hong Kong in November 2002. He is a corporate member of the Hong Kong Institution of Engineers (“HKIE”) and a Registered Professional Engineer (Civil). He has over 25 years of experience in the construction of roads and drainage, site formation, waterworks and building works including over 10 years in Excel Engineering Company Limited (a wholly owned subsidiary of the Company), and 9 years in Mass Transit Railway Corporation as Construction Engineer from 1995 to 2004, responsible for supervision of various railway construction projects, including the Lantau and Airport project, Tseung Kwan O extension project and the Mei Foo Station Interchange for the West Rail Interface Works. He is the Authorised Signatory for Excel Engineering Company Limited as Registered General Building Contractor of the Buildings Department. He is also an Engineering Supervisor for Excel Engineering Company Limited in the HKIE Engineering Graduate Training (Scheme A) for graduate engineers.

Mr. Poon has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Poon has entered into a service agreement with the Company on a term of three years commencing from 11 December 2013, which may be terminated in accordance with the provisions of the service contract or by not less than three months’ notice in writing served by either party on the other. He is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles.

As far as the Directors aware, Mr. Poon does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

As far as the Directors aware, Mr. Poon was not interested or deemed to be interested in any Shares or underlying Shares of the Company pursuant to Part XV of the SFO as at the Latest Practicable Date.

Mr. Poon is currently entitled to receive a monthly salary of HK\$117,000. Mr. Poon’s remuneration is recommended by the Company’s Remuneration Committee and approved by the Board with reference to his qualifications, experience and responsibilities as well as the prevailing market conditions. Mr. Poon is entitled to a discretionary performance bonus for each financial year which is at the discretion of the Board and determined by reference to Mr. Poon’s and the Group’s performance.

As far as the Directors are aware, there is no information of Mr. Poon to be disclosed pursuant to any of the requirement under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Poon that need to be brought to the attention of the Shareholders.

Dr. Law Kwok Sang, *Independent Non-executive Director*

Dr. Law Kwok Sang (“**Dr. Law**”), aged 70, is an independent non-executive Director of the Company. He is also the chairman of the Remuneration Committee and a member of both the Audit Committee and Nomination Committee of the Company. Dr. Law is currently the Adjunct Professor of the Department of Civil Engineering, University of Hong Kong and Zhengzhou University, PRC. Dr. Law obtained a Bachelor Degree in Engineering in November 1967 and a Master Degree of Philosophy in October 1977 from the University of Hong Kong. He also obtained a Doctorate Degree in Education in December 2001 from the University of Durham, UK. He is a Fellow of the HKIE, the Institution of Structural Engineers, UK and the Institution of Civil Engineers, UK, an Authorised Person (Engineer), a Registered Structural Engineer and a Class 1 Registered Structural Engineer of PRC.

Dr. Law was the Chairman of the Authorised Person/Registered Structural Engineer/Registered Geotechnical Engineer Committee from 2007 to 2010.

Dr. Law has been a Member of the Disciplinary Board (Lifts and Escalators (Safety) Ordinance (Cap. 327)) and a Member of the Building Safety Loan Scheme Vetting Committee and the Appeal Board Panel (Amusement Rides (Safety)). He was also a Member of the Geotechnical Engineers Registration Committee Panel from 2004 to 2006 and a Member of the Planning Sub-committee of the Land and Development Advisory Committee from 2009 to 2012. He has also been a Member of the Authorised Persons Registration Committee Panel since 2012.

Dr. Law was presented the A.E. Wynn Prize in 1973 in recognition of his performance in the Chartered Membership Examination of the Institution of Structural Engineers, UK.

Dr. Law has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

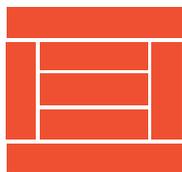
Dr. Law has been appointed as an independent non-executive Director pursuant to a letter of appointment for a term of two years commencing from 11 December 2013. The appointment is subject to the provisions of retirement and rotation of Directors under the Articles.

As far as the Directors aware, Dr. Law does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

As far as the Directors aware, Dr. Law was not interested or deemed to be interested in any Shares or underlying Shares of the Company pursuant to Part XV of the SFO as at the Latest Practicable Date.

Dr. Law is currently entitled to receive a salary of HK\$144,000 per annum. Dr. Law's remuneration is recommended by the Company's Remuneration Committee and approved by the Board with reference to his qualifications, experience and roles and duties in the Company as well as the prevailing market conditions.

As far as the Directors are aware, there is no information of Dr. Law to be disclosed pursuant to any of the requirement under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Dr. Law that need to be brought to the attention of the Shareholders.



EXCEL DEVELOPMENT (HOLDINGS) LIMITED

怡益控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of Excel Development (Holdings) Limited (the “**Company**”) will be held at Montparnasse Room I-II, 2/F, Regal Kowloon Hotel, 71 Mody Road, Tsimshatsui, Kowloon, Hong Kong on 15 August 2014 (Friday) at 11:00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company and the independent auditors of the Company (“**Auditors**”) for the year ended 31 March 2014.
2. To re-elect Mr. Poon Yan Min as an executive director of the Company.
3. To re-elect Dr. Law Kwok Sang as an independent non-executive director of the Company.
4. To authorise the board of directors of the Company to fix the directors’ remuneration.
5. To re-appoint Ernst & Young as the Auditors and authorise the board of directors of the Company to fix their remuneration.

SPECIAL BUSINESS

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

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the

NOTICE OF THE AGM

capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the directors of the Company 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 of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of the outstanding conversion rights attaching to any convertible bonds or securities issued by the Company, which are convertible into shares of the Company; or (iii) the exercise of option under a share option scheme of the Company or (iv) 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 twenty per cent. (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) 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 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; and
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings.

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

NOTICE OF THE AGM

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

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which might be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed ten per cent. (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval be limited accordingly; 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 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; and
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings.”

NOTICE OF THE AGM

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

“**THAT**, subject to the passing of resolutions nos. 6 and 7 set out in this notice, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with authorized and unissued shares of the Company pursuant to resolution no. 6 set out in this notice be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the share capital of the Company which has been repurchased by the Company since the granting of such general mandate pursuant to resolution no. 7 set out in this notice, provided that such amount of shares of the Company shall not exceed ten per cent. (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution.”

By order of the Board
Yau Kwok Fai
Chairman

Hong Kong, 11 July 2014

Notes:

1. A form of proxy for use at the AGM (or any adjournment thereof) is enclosed herewith. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company but must be present in person at the meeting to represent the member.
2. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the meeting, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy 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 must be deposited at the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited of 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 fixed for holding the AGM (or any adjournment thereof).

NOTICE OF THE AGM

4. Completion and return of the proxy form in respect of the proposed ordinary resolutions for the AGM will not preclude a member of the Company from attending and voting in person at the AGM (or any adjournment thereof) should he/she so wishes and in such event, the proxy form for the AGM (or any adjournment thereof) will be deemed to have been revoked.
5. All resolutions at the Meeting will be taken by poll (except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
6. The register of members of the Company will be closed from 13 August 2014, Wednesday to 15 August 2014, Friday (both days inclusive) for the purpose of determining the right to attend and vote at the AGM, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the forthcoming AGM, all share transfer documents accompanied by the corresponding share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30pm on 12 August 2014, Tuesday.

As at the date of this notice, the executive Directors are Mr. Li Chi Pong and Mr. Poon Yan Min; the non-executive Director is Mr. Yau Kwok Fai (Chairman) and the independent non-executive Directors are Dr. Law Kwok Sang, Professor Patrick Wong Lung Tak, B.B.S., J.P. and Ms. Mak Suk Hing.