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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 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 **Samson Paper Holdings Limited**, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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SAMSON PAPER HOLDINGS LIMITED

森信紙業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 731)

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

The notice convening the annual general meeting of the Company to be held at 10/F., United Centre, 95 Queensway, Hong Kong on Friday, 19 September 2014 at 10:30 a.m. (or at any adjournment thereof), is set out on pages 12 to 16 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the principal place of business of the Company in Hong Kong at 3rd Floor, Seapower Industrial Centre, 177 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong as soon as possible and in any event so as to be received not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

* *For identification purpose only*

20 August 2014

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 10/F., United Centre, 95 Queensway, Hong Kong on Friday, 19 September 2014 at 10:30 a.m. (or at any adjournment thereof);
“associate”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“Bye-Laws”	the Bye-Laws of the Company as may be amended from time to time;
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;
“Company”	Samson Paper Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the Ordinary Shares of which are listed on the Stock Exchange;
“CP Shares”	the convertible non-voting preference shares of HK\$0.10 each in the capital of the Company;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot, issue and deal with the Shares during the period as set out in Ordinary Resolution no. A in item 8 of the notice of Annual General Meeting up to 20% of the issued share capital of the Company as at the date of passing of such resolution;
“Latest Practicable Date”	15 August 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;
“Memorandum of Association”	the Memorandum of Association of the Company;

DEFINITIONS

“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the notice of Annual General Meeting;
“Ordinary Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company;
“Repurchase Mandate”	a general mandate to the Directors to exercise the power of the Company to repurchase Ordinary Shares during the period as set out in Ordinary Resolution no. B in item 8 of the notice of Annual General Meeting up to 10% of the issued ordinary share capital of the Company as at the date of passing such resolution;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	Ordinary Share(s) and CP Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“%”	per cent.



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Executive Directors

Mr. Sham Kit Ying (*Chairman*)
Mr. Lee Seng Jin (*Deputy Chairman*)
Mr. Chow Wing Yuen
Ms. Sham Yee Lan, Peggy
Mr. Lee Yue Kong, Albert

Non-executive Director

Mr. Lau Wang Yip, Eric

Independent Non-executive Directors

Mr. Pang Wing Kin, Patrick
Mr. Tong Yat Chong
Mr. Ng Hung Sui, Kenneth

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

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

3rd Floor
Seapower Industrial Centre
177 Hoi Bun Road
Kwun Tong
Kowloon
Hong Kong

20 August 2014

*To the Shareholders and, for information only,
holders of CP Shares*

Dear Sir or Madam,

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

1. INTRODUCTION

On 24 September 2013, general mandates were given to the Directors to exercise the powers of the Company to issue shares and to repurchase its own shares. These general mandates will lapse at the conclusion of the forthcoming Annual General Meeting. The

* *For identification purpose only*

LETTER FROM THE BOARD

Ordinary Resolutions will therefore be proposed at the Annual General Meeting to approve, among others, the general mandates to authorise the Directors to exercise the powers of the Company to repurchase its own Ordinary Shares and to issue Shares.

The purpose of this circular is to provide you with information regarding the proposed general mandates to repurchase Ordinary Shares and to issue Shares, and the proposed re-election of retiring Directors and to provide you with the notice of Annual General Meeting.

2. GENERAL MANDATE TO ISSUE NEW SHARES

An ordinary resolution will be proposed at the Annual General Meeting to grant the Issue Mandate to the Directors, details of which are set out in Ordinary Resolution no. A in item 8 of the notice of Annual General Meeting.

In addition, an ordinary resolution will be proposed to extend the Issue Mandate which would increase the limit of the Issue Mandate by adding to it an amount representing the aggregate nominal amount of Ordinary Shares repurchased pursuant to the Repurchase Mandate up to a maximum of 10% of the issued share capital of the Company as at the date of passing of that ordinary resolution. Details of the extension of the Issue Mandate are set out in Ordinary Resolution no. C in item 8 of the notice of Annual General Meeting.

3. GENERAL MANDATE TO REPURCHASE ORDINARY SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant the Repurchase Mandate to the Directors, details of which are set out in Ordinary Resolution no. B in item 8 of the notice of Annual General Meeting.

In accordance with the Listing Rules, an explanatory statement to provide the shareholders of the Company with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to approve the Repurchase Mandate is set out in Appendix I to this circular.

4. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Bye-Law 99 of the Bye-Laws, Mr. Lee Seng Jin, Mr. Pang Wing Kin, Patrick and Mr. Ng Hung Sui, Kenneth will retire from their respective offices and, being eligible, offer themselves for re-election at the Annual General Meeting. In accordance with Code Provision A.4.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Pang Wing Kin, Patrick and Mr. Ng Hung Sui, Kenneth would have served the Company as an independent non-executive Director for more than 9 years during the term of their further appointment in 2014 since 1995 and 2005 respectively. Mr. Pang Wing Kin, Patrick and Mr. Ng Hung Sui, Kenneth will retire at the Annual General Meeting and, accordingly, their appointment shall be subject to a separate resolution to be approved by the shareholders of the Company pursuant to the Listing Rules.

LETTER FROM THE BOARD

The Company has received from Mr. Pang Wing Kin, Patrick and Ng Hung Sui, Kenneth a confirmation of independence pursuant to Rule 3.13 of the Listing Rules and they have not in the past engaged in any executive management of the Group. Taking into consideration of their independent scope of works and their character and integrity as shown in the past, the Directors consider Mr. Pang Wing Kin, Patrick and Ng Hung Sui, Kenneth continue to be independent and should be re-elected.

Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

5. ANNUAL REPORT AND ANNUAL GENERAL MEETING

A copy of the annual report of the Company for the financial year ended 31 March 2014 has been sent to you for your review.

The notice of the Annual General Meeting to be held at 10/F., United Centre, 95 Queensway, Hong Kong on Friday, 19 September 2014 at 10:30 a.m. (or at any adjournment thereof) is set out on pages 12 to 17 of this circular. At the Annual General Meeting, the Ordinary Resolutions will be proposed to approve the Issue Mandate, the extension of the Issue Mandate, the Repurchase Mandate and the re-election of the retiring Directors. Pursuant to the Listing Rules, all resolutions put to the vote at the Annual General Meeting will be decided by way of poll.

A form of proxy for use at the Annual General Meeting is enclosed. Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the form of proxy to the principal place of business of the Company in Hong Kong at 3rd Floor, Seapower Industrial Centre, 177 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong as soon as possible and in any event so as to be received not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. The completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting should you so wish.

6. RECOMMENDATION

The Board is pleased to recommend the retiring Directors, details of whom are set out in Appendix II to this circular, for re-election at the Annual General Meeting.

The Directors consider that the granting to them of the Issue Mandate and the Repurchase Mandate and the re-election of the retiring Directors are in the interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend that all shareholders of the Company should vote in favour of the Ordinary Resolutions to be proposed at the Annual General Meeting.

By Order of the Board
SHAM Kit Ying
Chairman

This Appendix I contains the particulars which are required by the Listing Rules to be included in an explanatory statement to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to be proposed at the Annual General Meeting in relation to the Repurchase Mandate.

- (1) As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised of 1,141,075,827 Ordinary Shares and the Company also has 132,064,935 CP Shares in issue.

Subject to the passing of the relevant Ordinary Resolution for approving the Repurchase Mandate, and on the basis that no further Ordinary Shares would be issued or repurchased prior to the Annual General Meeting, the Company would be allowed to repurchase a maximum of 114,107,582 Ordinary Shares (representing not more than 10% of the issued ordinary share capital of the Company as at the Latest Practicable Date) under the Repurchase Mandate.

- (2) The Directors believe that it is in the interests of the Company and its shareholders for the Directors to have the Repurchase Mandate. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.
- (3) In repurchasing Ordinary Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-Laws, the applicable laws of Bermuda and the Listing Rules. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profit that would otherwise be available for dividend or the proceeds of a fresh issue of shares made for the purpose of the repurchase. The amount of premium payable may only be paid out of either the profits that would otherwise be available for dividend or out of the Company's share premium account before the shares are repurchased.
- (4) There might be material adverse impact on the working capital or gearing levels of the Company as compared with the position disclosed in the latest published audited consolidated financial statements of the Company in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company as compared with the position disclosed in the latest published audited consolidated financial statements of the Company which in the opinion of the Directors are from time to time appropriate for the Company.
- (5) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Ordinary Shares to the Company under the Repurchase Mandate in the event that the Repurchase is approved by shareholders of the Company.

- (6) 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 repurchase of Ordinary Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Memorandum of Association and the Bye-Laws and the applicable laws and regulations of Bermuda.
- (7) If as a result of a share repurchase, a shareholder's proportionate interest in voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a shareholder or a group of shareholders acting in concert, depending on the level of increase of the shareholder's interest could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 25 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following persons (together the "Concert Group"), who are presumed to be acting in concert, were interested in an aggregate of 850,418,047 Ordinary Shares, representing approximately 74.53% of the issued ordinary share capital of the Company and 132,064,935 CP Shares within the meaning of Part XV of the SFO as recorded in the registers required to be kept by the Company under Sections 336 and 352 of the SFO:

(a) Ordinary Shares

Name	Number of Ordinary Shares	Approximate percentage of the issued ordinary share capital
Mr. Lee Seng Jin (<i>Note</i>)		
— Personal Interest	128,459,688	
— Corporate Interest	688,533,247	
— Family Interest	<u>33,425,112</u>	
	850,418,047	74.53%
Ms. Sham Yee Lan, Peggy (<i>Note</i>)		
— Personal Interest	1,145,112	
— Corporate Interest	32,280,000	
— Family Interest	<u>816,992,935</u>	
	850,418,047	74.53%

(b) CP Shares

Name	Number of CP Shares	Approximate percentage of the total number of CP Shares
Mr. Lee Seng Jin		
— Corporate Interest	132,064,935	100%

Note: Mr. Lee Seng Jin is the husband of Ms. Sham Yee Lan, Peggy.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate. In the event that the Directors exercise in full the power to repurchase Ordinary Shares pursuant to the Repurchase Mandate and assuming that the shareholders of the Concert Group as disclosed in the circular and the issued share capital of the Company remain unchanged, the interests of the Concert Group in the Ordinary Shares would be increased to approximately 82.81% of the issued ordinary share capital of the Company and such increase would not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

In any event, the Repurchase Mandate will be exercised only if the number of Ordinary Shares held by the public would not fall below 25%.

- (8) No purchase of Shares (whether on the Stock Exchange or otherwise) has been made by the Company in the six months prior to the Latest Practicable Date.
- (9) No connected person (as defined in the Listing Rules) has notified the Company that he has any present intention to sell any Ordinary Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the shareholders of the Company.
- (10) The following table shows the highest and lowest prices at which the Ordinary Shares had been traded on the Stock Exchange in each of the twelve months prior to the Latest Practicable Date:

Month	Ordinary Shares Price	
	Highest	Lowest
2013		
September	0.44	0.40
October	0.52	0.41
November	0.50	0.45
December	0.47	0.41
2014		
January	0.42	0.37
February	0.42	0.39
March	0.42	0.38
April	0.41	0.39
May	0.40	0.38
June	0.41	0.38
July	0.41	0.38
August (up to the Latest Practicable Date)	0.56	0.40

The following are the particulars of the Directors who will be retiring from their respective offices and be proposed to be re-elected at the Annual General Meeting in accordance with the Bye-Laws:

Mr. LEE Seng Jin, aged 57, is the Deputy Chairman and Chief Executive Officer of the Group. Mr. Lee is responsible for the formulation of the Group's corporate strategies and development. He joined the Group in 1997. He is the husband of Ms. Sham Yee Lan, Peggy and the son-in-law of Mr. Sham Kit Ying. Save as disclosed above, Mr. Lee does not have any relationship with other Directors, senior management, substantial shareholders or controlling shareholders of the Company. In the three years immediately preceding the Latest Practicable Date, Mr. Lee did not hold directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr Lee has a personal interest in 128,459,688 Ordinary Shares, corporate interest in 688,533,247 Ordinary Shares, family interests in 33,425,112 Ordinary Shares and corporate interest in 132,064,935 CP Shares within the meaning of Part XV of the SFO.

The service contract of Mr. Lee does not contain any provision on the term of his appointment. However, he is subject to retirement by rotation pursuant to the Bye-Laws. Pursuant to his service contract, Mr. Lee received emoluments of a total value of approximately HK\$6,718,000 for the financial year ended 31 March 2014. For the financial year ending 31 March 2015, Mr. Lee will be entitled to a remuneration of approximately HK\$6,718,000 per annum. Mr. Lee will also be entitled to discretionary bonus as may be decided by the Board having regard to the Group's profitability. His emoluments are determined by the Board with reference to the Group's performance and profitability as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, the Directors are not aware of any other matter in respect of the proposed re-election of Mr. Lee as an executive Director which they consider necessary to be brought to the attention of the shareholders of the Company. Mr. Lee has confirmed that save as disclosed above there is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr. PANG Wing Kin, Patrick, aged 58, is a qualified accountant and has over 31 years of working experience in the auditing, finance and general management areas. Mr. Pang was appointed independent non-executive Director of the Company in 1995. He is a member of the CPA Australia, the Hong Kong Institute of Certified Public Accountants. He is currently a financial consultant to an Australian company which has investment in China. In the three years immediately preceding the Latest Practicable Date, Mr. Pang did not hold directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Pang does not have any relationship with other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Pang did not have any interest in the Shares within the meaning of Part XV of the SFO.

The service contract of Mr. Pang does not contain any provision on the term of his appointment. However, he is subject to retirement by rotation pursuant to the Bye-Laws of the Company. Pursuant to his service contract, the director's fee of Mr. Pang as an independent non-executive Director and also as a member of the audit committee and a member of the nomination committee of the Company is HK\$160,000 for the financial year ended 31st March, 2014. For the financial year ending 31st March, 2015, Mr. Pang will be entitled to receive a remuneration of HK\$160,000 per annum. The director's fee of Mr. Pang is based on the negotiation between Mr. Pang and the Company and is determined by the board of Directors with reference to the prevailing market conditions.

Save as disclosed above, the Directors are not aware of any other matter in respect of the proposed re-election of Mr. Pang as an independent non-executive Director which they consider necessary to be brought to the attention of the shareholders of the Company. Mr. Pang has confirmed that there is no information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr. NG Hung Sui, Kenneth, aged 47, is a solicitor practicing in Hong Kong. He was appointed independent non-executive Director of the Company in 2005 and is currently the managing partner of a local law firm. Mr. Ng holds a Bachelor's degree in Laws and has been admitted as a solicitor in Hong Kong. He was also admitted as a solicitor in England and Wales and as a legal practitioner in Tasmania, Australia. He is a China-Appointed Attesting Officer, a Notary Public of Hong Kong and an Accredited General Mediator. He is a member of both the Standing Committee on External Affairs and the Standing Committee on Practitioners Affairs as well as a member of the Criminal Law & Procedure Committee of the Law Society of Hong Kong. He is a member of the Criminal Procedure Rules Committee under section 9(1)(g) of the Criminal Procedure Ordinance, Cap 221. He is a member of the Appeal Panel (Housing). He has been an external course assessor on PCLL Programme (for Criminal Litigation Practice) of the Chinese University of Hong Kong and a part-time lecturer of the Department of Professional Legal Education of the University of Hong Kong. He is also an external examiner for the BCom (Hons) in Law & Business at Hong Kong Shue Yan University.

Mr. Ng was also appointed as an independent non-executive director of Mexan Limited (stock code: 22) on 19 April 2007. Save as aforesaid, in the three years immediately preceding the Latest Practicable Date, Mr. Ng did not hold directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Ng does not have any relationship with other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Ng did not have any interest in the Shares within the meaning of Part XV of the SFO.

The service contract of Mr. Ng does not contain any provision on the term of his appointment. However, he is subject to retirement by rotation pursuant to the Bye-Laws of the Company. Pursuant to his service contract, the director's fee of Mr. Ng as an independent non-executive Director and also as a member of remuneration committee and a

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

member of the nomination committee of the Company is HK\$160,000 for the financial year ended 31 March 2014. For the financial year ending 31 March 2015, Mr. Ng will be entitled to receive a remuneration of HK\$160,000 per annum. The director's fee of Mr. Ng is based on the negotiation between Mr. Ng and the Company and is determined by the board of Directors with reference to the prevailing market conditions.

Save as above, the Directors are not aware of any other matter in respect of the proposed re-election of Mr. Ng as an independent non-executive Director which they consider necessary to be brought to the attention of the shareholders of the Company. Mr. Ng has confirmed that there is no information required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.



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(Incorporated in Bermuda with limited liability)

(Stock Code: 731)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Samson Paper Holdings Limited (the “Company”) will be held at 10/F., United Centre, 95 Queensway, Hong Kong on Friday, 19 September 2014 at 10:30 a.m. for the following purposes:

As Ordinary Business

1. To receive and adopt the audited statement of accounts and the reports of the directors (the “Directors”) and auditors of the Company for the year ended 31 March 2014.
2. To declare a final dividend for the year ended 31 March 2014.
3. To re-elect Mr. Lee Seng Jin as a Director.
4. To re-elect Mr. Pang Wing Kin, Patrick as a Director and approve his further appointment exceeding nine years of service with the Company.
5. To re-elect Mr. Ng Hung Sui, Kenneth as a Director and approve his further appointment exceeding nine years of service with the Company.
6. To authorize the board of Directors (the “Board”) to fix the remuneration of the Directors.
7. To re-appoint auditors and authorize the Board to fix their remuneration.

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

As Special Business

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

Ordinary Resolutions

A. “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution 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 is required by law and the Bye-Laws of the Company to be held; and (iii) the revocation or variation of the approval given in this Resolution by an ordinary resolution of the shareholders of the Company in general meeting) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require shares of the Company to be allotted, issued or dealt with during or after the end of the Relevant Period, be and is hereby generally and unconditionally approved; and
- (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval referred to in paragraph (a) of this Resolution, otherwise than pursuant to (i) a rights issue (for the purposes of this Resolution, “rights issue” means an offer of shares of the Company or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the Directors to holders of shares of the Company whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of such shares of the Company (or, where appropriate, such other securities) as at that date (subject in all cases 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, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company)), or (ii) an issue of shares of the Company pursuant to a scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of the dividend on shares of the Company in accordance with the Bye-Laws of the

NOTICE OF ANNUAL GENERAL MEETING

Company, or (iii) an issue of shares of the Company upon the exercise of any subscription or conversion rights attaching to any warrants or any securities which are convertible into shares of the Company, or (iv) an issue of shares of the Company upon exercise of options under any option scheme or similar arrangement for the time being adopted by the Company for the grant or issue of shares of the Company or rights to acquire shares of the Company, or (v) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution, and the said approval shall be limited accordingly.”

B. “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of all powers of the Company to repurchase its own ordinary shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the ordinary shares of the Company may be listed and is recognized by Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and regulations, during the Relevant Period (being the period from the passing of this Resolution 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 Bye-Laws of the Company to be held; and (iii) the revocation or variation of the approval given in this Resolution by an ordinary resolution of the holders of ordinary shares of the Company in general meeting) be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of ordinary shares of the Company to be repurchased by the Company pursuant to the approval referred to in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the ordinary share capital of the Company in issue as at the date of the passing of this Resolution and such approval shall be limited accordingly; and
- (c) the approval referred to in paragraph (a) of this Resolution shall, where permitted by applicable laws and regulations and subject to the limitation in paragraph (b) of this Resolution, extend to permit the purchase of ordinary shares of the Company by subsidiaries of the Company.”

- C. “THAT** conditional upon Resolution Nos. A and B set out in item 8 of the notice of the meeting of which this Resolution forms a part being passed, the general mandate granted to the Directors pursuant to Resolution No. A set out in item 8 of the notice of the meeting of which this Resolution forms a

NOTICE OF ANNUAL GENERAL MEETING

part be and is hereby extended by the addition to the aggregate nominal amount of shares of the Company which may be allotted and issued of an amount representing the aggregate nominal amount of ordinary shares of the Company repurchased by the Company pursuant to the mandate granted pursuant to Resolution No. B set out in item 8 of the notice of the meeting of which this Resolution forms part, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution.”

By Order of the Board
LEE Yue Kong, Albert
Company Secretary

Hong Kong, 20 August 2014

Head office and principal place of business in Hong Kong:
3rd Floor, Seapower Industrial Centre
177 Hoi Bun Road
Kwun Tong, Kowloon
Hong Kong

Notes:

- (1) A member of the Company entitled to attend and vote at the above meeting is entitled to appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member of the Company. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the principal place of business of the Company in Hong Kong at 3rd Floor, Seapower Industrial Centre, 177 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong (so as to be received) not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).
- (2) The Register of Members of the Company will be closed from 17 September 2014 to 19 September 2014 (both days inclusive) during which period no transfer of shares will be effected. In order to qualify for the entitlement to attend and vote at the Annual General Meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited at 31/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on 16 September 2014.
- (3) The final dividend is payable to shareholders whose names appear on the Register of Members of the Company at the close of business on 26 September 2014, being the record date for determination of entitlement to the final dividend. In order to qualify for the proposed final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share

NOTICE OF ANNUAL GENERAL MEETING

registrar, Boardroom Share Registrars (HK) Limited at 31/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on 26 September 2014.

As at the date of this notice, the Board comprises of five executive Directors, namely Mr. SHAM Kit Ying, Mr. LEE Seng Jin, Mr. CHOW Wing Yuen, Ms. SHAM Yee Lan, Peggy and Mr. LEE Yue Kong, Albert, one non-executive Director, namely Mr. LAU Wang Yip, Eric and three independent non-executive Directors, namely Mr. PANG Wing Kin, Patrick, Mr. TONG Yat Chong and Mr. NG Hung Sui, Kenneth.