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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold** all your shares in C Y Foundation Group Limited (“Company”), you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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**C Y FOUNDATION GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 1182)**

**PROPOSED AMENDMENT TO THE BYE-LAWS  
PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES  
RE-ELECTION AND APPOINTMENT OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting (“AGM”) of the Company to be held at 6/F – Tin Hau Function Room, L’hotel Causeway Bay Harbour View Hong Kong, 18 King’s Road, Causeway Bay, Hong Kong on 6 October 2011, Thursday, at 10:00 am, to approve the proposal for amendment to the bye-laws, the general mandate to repurchase shares and the re-election and appointment of Directors is set out in this circular. If you are not able to attend the meeting, please complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event by not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

20 September 2011

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 6/F – Tin Hau Function Room, L’hotel Causeway Bay Harbour View Hong Kong, 18 King’s Road, Causeway Bay, Hong Kong on 6 October 2011, Thursday, at 10:00 am
“Associates”	the same definition as described under the Listing Rules
“Board”	the board of Directors
“Bye-law(s)”	the bye-law(s) of the Company
“Company”	C Y Foundation Group Limited, a company incorporated in Bermuda with limited liability and whose securities are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company except CHENG Chee Tock Theodore whose duty is currently suspended
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	19 September 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	share(s) of \$0.001 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“\$”	Hong Kong dollar(s)

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**LETTER FROM THE BOARD**

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**C Y FOUNDATION GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 1182)**

*Executive Directors*

SNEAH Kar Loon (*Chairman*)  
Dato LIM Kim Wah

*Non-executive Directors*

WOELM Samuel  
IO Rudy Cheok Kei  
NG Kwok Lun

*Independent Non-executive Directors*

LAI Hock Meng  
LAW Chiu William  
Dato MYHRE Carl Gunnar  
BALAKRISHNAN Narayanan  
YONG Peng Tak

*Duty Suspended Director*

CHENG Chee Tock Theodore

*Registered Office*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal Place of Business*

Unit 3503B-5, 35/F  
148 Electric Road  
North Point  
Hong Kong

20 September 2011

*To Shareholders*

Dear Sir/Madam,

**PROPOSED AMENDMENT TO THE BYE-LAWS  
PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES  
RE-ELECTION AND APPOINTMENT OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the AGM for the approval of, inter alia:–

- (1) the proposed amendment to the Bye-laws;
- (2) the granting of general mandates to issue and repurchase shares; and
- (3) the re-election and appointment of Directors.

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## LETTER FROM THE BOARD

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### AMENDMENT TO THE BYE-LAWS

The Company intends to pass a special resolution to amend the Bye-law 86(4) of the Bye-laws to the effect that a Director can be removed by an ordinary resolution (not a special resolution) of the Company. **The proposed amendment is to comply with Appendix 3 of the Listing Rules.**

Details of the proposed amendment, as marked for ease of reference, to the Bye-law is set out below:

**Bye-law 86(4)** Subject to any provision to the contrary in these Bye-laws the Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special~~ ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.

### PROPOSED GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

The Directors believe that a general and unconditional mandate granted to the Directors to issue and repurchase shares is in the interests of the Company and the Shareholders. Accordingly, the following ordinary resolutions will be proposed at the AGM in order to grant to the Directors the new general and unconditional mandates to exercise the powers of the Company to issue and repurchase Shares:

- (i) An ordinary resolution (resolution No. 6) to grant to the Directors a general and unconditional mandate to authorize them to allot, issue and deal with the additional Shares up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “**Issue Mandate**”). The Issue Mandate will end on (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (iii) the revocation or variation by ordinary resolution of Shareholders in general meeting, whichever is the earliest;
- (ii) An ordinary resolution (resolution No. 7) to grant to the Directors a general and unconditional mandate to authorize them to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (the “**Repurchase Mandate**”). The Repurchase Mandate will end on (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; or (iii) the revocation or variation by ordinary resolution of Shareholders in general meeting, whichever is the earliest; and

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## LETTER FROM THE BOARD

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- (iii) Conditional upon the passing of resolutions No. 6 and No. 7 as stated above, an ordinary resolution (resolution No. 8) to extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company under the Repurchase Mandate provided that such aggregated amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as the date of the AGM.

On the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the AGM, the Company would be allowed to issue a maximum of 1,393,742,065 Shares under the Issue Mandate and to repurchase a maximum of 696,871,032 Shares under the Repurchase Mandate.

Shareholders are invited to refer to the Notice of AGM for details of the abovementioned ordinary resolutions. An explanatory statement, as required by the Listing Rules containing information in connection with the Repurchase Mandate, is also set out in Appendix I to this circular.

### **PROPOSED RE-ELECTION OF DIRECTORS**

Pursuant to Bye-law 87, at each annual general meeting, one-third of the relevant number of the Directors (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. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless otherwise agree between themselves) be determined by lot.

### **RETIREMENT BY ROTATION AND APPOINTMENT**

Mr. CHENG Chee Tock Theodore was appointed on 15 February 2007 and Mr. WOELM Samuel was appointed on 9 May 2007. All the remaining nine Directors were appointed on the same date (being 8 April 2011).

Pursuant to Bye-law 87 as set out above, Mr. CHENG Chee Tock Theodore and Mr. WOELM Samuel would have to retire by rotation at the AGM as they have been in the office the longest and it was agreed amongst the remaining nine Directors that Dato LIM Kim Wah and Dato MYHRE Carl Gunnar will also retire at the AGM.

All the retiring Directors shall be eligible to offer themselves for re-election. However, Dato LIM Kim Wah, Mr. WOELM Samuel and Dato MYHRE Carl Gunnar will not offer themselves for re-election at the AGM. From the conclusion of the AGM, Dato LIM Kim Wah, Mr. WOELM Samuel and Dato MYHRE Carl Gunnar will cease to be the Directors of the Company. Subject to the necessary Shareholders' approval at the AGM, Mr. SIK Siu Kwan will be appointed as an executive Director as a replacement of Dato LIM Kim Wah. The biographical details of Mr. SIK Siu Kwan is set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### AGM

The notice convening the AGM is set out in Appendix III to this circular. A form of proxy for the AGM is enclosed with this circular. If you do not intend to be present at the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event by no less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

Pursuant to rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the general meeting must be taken by poll. Chairman of the meeting will therefore demand a poll for every resolution put to the vote of the AGM and the Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

### RECOMMENDATION

The Directors believe that the amendment to the Bye-laws, the grant of the general mandate to issue, allot and repurchase shares and the extension of the Issue Mandate, and the appointment of executive Director are in the interests of the Company and its Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors of the Company collectively and individually accept 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.

### GENERAL

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

On behalf of the Board  
**Sneah Kar Loon**  
*Chairman*

This Appendix serves as an explanatory statement to provide requisite information in relation to the Repurchase Mandate required pursuant to the Listing Rules:

### **SHARE CAPITAL**

As at the Latest Practicable Date, the Company has 6,968,710,326 Shares in issue and issued share capital of \$6,968,710.33. On that basis and assuming no further Shares will be issued prior to the AGM, the exercise of the Repurchase Mandate in full would result in up to 696,871,032 Shares representing share capital of \$696,871.03 being repurchased by the Company.

### **REASON FOR THE REPURCHASE**

The Directors believe that it is in the best interests of the Company 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 when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

### **FUNDING OF REPURCHASE**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Bye-laws and the applicable laws of Bermuda. The Directors propose that the repurchase of Shares under the Repurchase Mandate will be financed from the Company's internal resources.

There might be a material adverse impact on the working capital or gearing position of the Company, in the event that the proposed Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

### **SHARE PRICES**

Trading in the Shares on the Stock Exchange has been suspended from 9:30 am on 31 August 2010 to the Latest Practicable Date. Hence, there are no highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months.

### **DISCLOSURE OF INTERESTS**

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their Associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by Shareholders.

#### **UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Bye-laws of the Company, and the applicable laws of Bermuda.

#### **EFFECT OF THE TAKEOVERS CODE**

If as a result of a share repurchase a Shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code.

As at the Latest Practicable Date, pursuant to the latest disclosure of interests forms filed by the substantial Shareholders, the substantial Shareholders and the Directors together with their Associates collectively were beneficially interested in 5,014,216,983 Shares representing approximately 71.95% of the issued share capital of the Company. In the event that the Directors exercised the Repurchase Mandate in full in accordance with the terms of the ordinary resolution to be proposed at the AGM, the interest of the substantial Shareholders, together with their Associates, in the Company would be increased to approximately 79.95% of the issued share capital. However, the Directors have no intention to exercise the Repurchase Mandate to such extent that less than 25% of the issued share capital of the Company would be in public hands. As at the Latest Practicable Date, pursuant to the latest disclosure of interests forms dated 11 January 2010 and 18 August 2010 filed by Dato Poh Po Lian and Mr. Cheng Chee Tock Theodore respectively, Dato Poh Po Lian held 3,246,264,127 Shares, whereas Mr. Cheng Chee Tock Theodore was deemed to be interested in 1,757,142,856 Shares, each of them holding an aggregate interest of 46.58% and 25.21% in the total issued share capital of the Company. In the event that the Directors exercise in full the Repurchase Mandate, the shareholding of the Company held by Dato Poh and Mr. Cheng will increase to approximately 51.76% and 28.02% of the issued share capital of the Company respectively. Upon full exercise of the Repurchase Mandate, the shareholding of Dato Poh may give rise to an obligation to make a mandatory general offer under the Takeovers Code. However the Directors have no intention to exercise the Repurchase Mandate to the extent that it will trigger a mandatory general offer under the Takeovers Code. Save as disclosed above, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of repurchase made pursuant to the Repurchase Mandate should the Repurchase Mandate be exercised in full.

#### **SHARE REPURCHASE MADE BY THE COMPANY**

During the previous 6 months prior to the Latest Practicable Date, the Company had not repurchased, sold or redeemed any of the listed securities of the Company.

Set out below are details of the Directors who may offer themselves for re-election or appointment at the AGM:

**Mr. CHENG Chee Tock Theodore**, aged 62, has been an executive Director of the Company since 15 February 2007 and his duties were suspended with effect from 8 April 2011.

Mr. Cheng was educated in the department of electronic engineering of The Hong Kong Polytechnic University. Mr. Cheng was also the chairman and a director of Sino Strategic International Limited, a company listed on the Australian Stock Exchange, until 9 March 2011. Save as disclosed, Mr. Cheng has not held any directorship in other listed public company during the three years preceding the Latest Practicable Date.

According to current records of the Company, there is no letter of appointment signed between the Company and Mr. Cheng. He is subject to retirement and re-election in accordance with the Bye-laws of the Company.

Mr. Cheng has been involved in an investigation conducted by the Independent Commission Against Corruption (“ICAC”) since 30 August 2010. In connection to this investigation and pursuant to the Amended Charges issued by the Eastern Magistracy of the Hong Kong Special Administrative Region dated 6 May 2011, Mr. Cheng was charged by ICAC with one count of fraud under section 159C(6) of the Crimes Ordinance, Cap. 200. It was alleged that Mr. Cheng and Yu Philip, between 2 April 2007 and 28 January 2008, both dates inclusive, conspired together and with Nam Kok Teng (alias Kok Teng Nam) to defraud the Board and Shareholders of the Company by dishonestly, (i) falsely concealing the Company that Mr. Cheng had a beneficiary or financial interest in a property at 17th Floor, No. 200 Gloucester Road, Wanchai; and (ii) falsely representing to the Company that acquisition of the said property by the Company did not constitute a connected transaction for the purpose of the Listing Rules, thereby inducing the Company to complete the purchase of the said property without convening the required company meeting(s) or complying with the Listing Rules. A court hearing was held on 6 May 2011 whereby the charge against Mr. Cheng was amended to conspiracy to defraud, contrary to common law and punishable under section 159C(6) of the Crimes Ordinance, Cap. 200. Mr. Cheng had lodged an opposition against the above charge and the case was further adjourned to 6 February 2012.

As at the Latest Practicable Date, Mr. Cheng was interested or deemed to be interested in 1,757,142,856 underlying Shares in the Company within the meaning of Part XV of the SFO. The interest was held by Super Bonus Management Limited (“Super Bonus”), Treasure Bay Assets Limited (“Treasure Bay”), Pacific Equity Development Corp. (“Pacific Equity”), Super Mark Profits Corp. (“Super Mark”), Golden View Worldwide Limited (“Golden View”) and Super Crown Venture Inc. (“Super Crown”). Each of Super Bonus, Treasure Bay, Pacific Equity, Super Mark and Golden View was wholly owned by Ms. Yung Leonora (the spouse of Mr. Cheng), whereas Super Crown was owned as to 50% by Ms. Yung Leonora. Mr. Cheng was deemed to be interested in all these Shares.

**Mr. SIK Siu Kwan**, aged 43, has more than 20 years of experience in investment banking and finance. He has held senior positions with a number of major international investment banks. He received his Bachelor of Arts degree in engineering science and Master of Arts degree from University of Oxford. He is also an associate member of The Institute of Chartered Accountants in England and Wales; and a fellow member of the Hong Kong Institute of Certified Public Accountant.

Mr. Sik is an independent non-executive director of China Glass Holdings Limited, a company listed on the main board of the Stock Exchange. He is also an independent director of Sincere Pharmaceutical Group and China Nepstar Chain Drugstore Ltd., both are listed on New York Stock Exchange. Mr. Sik was formerly an independent non-executive director of Dawnrays Pharmaceutical (Holdings) Ltd, which is listed on the main board of the Stock Exchange until his resignation with effect from 9 July 2010. Mr. Sik was a non-executive director of the Company since 1 September 2009 until his resignation on 16 November 2009. Mr. Sik was also an independent non-executive director of Duoyuan Printing Inc., a company listed on New York Stock Exchange, since 27 September 2010 until his resignation on 13 June 2011. Save as disclosed, Mr. Sik does not hold any directorship in other listed public companies in the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Sik does not have, and is not deemed to have, any interests and short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO).

Mr. Sik serves as the Company Secretary of the Company since 8 April 2011. Save as disclosed and to the best knowledge and belief of the Board, having made all reasonable enquiries, Mr. Sik does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company.

Mr. Sik was formerly a responsible officer of ICEA Capital Limited (“ICEAC”). The Securities and Futures Commission (the “SFC”) found that ICEAC was involved in price stabilization action in April 2004 that was not authorized under the Securities and Futures (Price Stabilizing) Rules. The SFC prohibited Mr. Sik from re-entering the industry for four months from 29 June 2010 to 28 October 2010. Save as disclosed, Mr. Sik has not been involved in any of the matters as mentioned under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters in relation to Mr. Sik’s appointment that need to be brought to the attention of the Shareholders.

**C Y FOUNDATION GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 1182)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of C Y Foundation Group Limited (“Company”) will be held at 6/F – Tin Hau Function Room, L’hotel Causeway Bay Harbour View Hong Kong, 18 King’s Road, Causeway Bay, Hong Kong on 6 October 2011, Thursday, at 10:00 am for the following purposes:

To consider and, if thought fit, to pass, with or without amendments, the resolution No. 1 as special resolution and Nos. 2 to 8 as ordinary resolutions:

**SPECIAL RESOLUTION**

1. **THAT** the existing Bye-laws of the Company be and are hereby amended by replacing the word “special” with “ordinary” in Bye-law 86(4).

**ORDINARY RESOLUTIONS**

2. To receive and consider the consolidated financial statements, the directors’ reports and the auditor’s reports of the Company for the years ended 31 March 2010 and 31 March 2011 respectively.
3. To re-elect the retiring directors of the Company (“Directors”) for the ensuing year.
4. To elect an executive Director in place of a retiring Director for the ensuing year.
5. To re-appoint ANDA CPA Limited as auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration.
6. **THAT**
  - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make and/or grant offers, agreements and/or options, including bonds, warrants, debentures, notes and other securities convertible into shares of the Company, which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined hereinafter) to make and/or grant offers, agreements and options, including bonds, warrants, debentures, notes and other securities convertible into shares of the Company, which might require the exercise of such power 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 approval in paragraph (a) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or any option scheme or similar arrangement for the time being adopted for the grant or issue to participants of the Company, its subsidiaries, and its ultimate holding company (if any) which is also listed on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and its subsidiaries, of shares or right to acquire shares in the Company shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 Bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

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

7. **THAT**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares in the capital of the Company on the Stock Exchange or on any other stock exchange on which the shares in the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of The Rules Governing the Listing of Securities on the Stock Exchange or on any other stock exchange as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares in the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period 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 and the said approval be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 Bye-laws of the Company or any applicable law to be held; and
  - (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.
8. **THAT** conditional upon resolutions number 6 and 7 above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution number 7 above be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution number 6 above.

On behalf of the Board  
**Sneah Kar Loon**  
*Chairman*

Hong Kong, 14 September 2011

*Notes:*

1. A member entitled to attend and vote at the above meeting is entitled to appoint proxy(ies) to attend and vote instead of him. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney authorized to sign the same.
3. The instrument appointing a proxy and the 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 delivered to the office of Tricor Secretaries Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. In the case of joint holders of any share, any one of such joint holders may vote at the annual general meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
6. Shareholders whose names appear on the register of members of the Company on 4 October 2011, Tuesday are entitled to attend and vote at the annual general meeting.