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

If you have sold or transferred all your Shares in SUN CENTURY GROUP LIMITED, you should at once hand this circular and proxy form enclosed herein to the purchaser or transferee or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**SUN CENTURY GROUP LIMITED****太陽世紀集團有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 1383)**

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Sun Century Group Limited to be held at Training Room A, The Joint Professional Centre, Unit 1, G/F., The Center, 99 Queen's Road Central, Hong Kong on Thursday, 2 June 2016, at 4:00 p.m. is set out on pages 29 to 34 of this circular. Whether or not you are able to attend the annual general meeting or any adjourned meeting, you are requested to complete the form of proxy, enclosed herewith, 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, Wanchai, Hong Kong as soon as possible, and in any event not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting or any adjournment of such meeting should they so wish.

3 May 2016

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DEFINITIONS

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

“Adoption Date”	the date on which the New Share Option Scheme becomes unconditional upon fulfillment of the conditions as set out in the paragraph headed “Conditions precedent of the New Share Option Scheme” in the section headed “Letter from the Board” of this circular
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Training Room A, The Joint Professional Centre, Unit 1, G/F., The Center, 99 Queen’s Road Central, Hong Kong on Thursday, 2 June 2016, at 4:00 p.m.
“Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of the Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities listed thereon
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Sun Century Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company

DEFINITIONS

“Eligible Participant(s)”	full time or part time employees, executives, officers, or directors (whether executive or non-executive and whether independent or not) of the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group
“Existing Share Option Scheme”	the existing share option scheme of the Company adopted on 31 January 2007, which shall be terminated by resolution at the AGM
“Group”	the Company and its subsidiaries
“HK\$” and “HK cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“inside information”	has the meaning defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Latest Practicable Date”	25 April 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the Annual General Meeting, a summary of the terms of which is set out in Appendix 3 to this circular
“Offer(s)”	the offer(s) for the grant of an Option(s) made in accordance with the New Share Option Scheme
“Offer Date”	the date on which an Offer(s) is/are made to an Eligible Participant(s)

DEFINITIONS

“Option(s)”	any option(s) to be granted to Eligible Participant(s) to subscribe for Share(s) under the New Share Option Scheme
“Option Period”	in respect of any particular Option, the period to be determined and notified by the Directors to the grantee thereof at the time of making an Offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular Option but subject to the provisions for early termination thereof contained herein
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a grantee, is or are entitled to exercise the Option granted to such grantee (to the extent not already exercised)
“Proposed Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution approving such mandate
“Scheme Mandate Limit”	has the meaning ascribed to it under paragraph (E) of Appendix 3 set out on pages 20 to 21 of this circular
“Securities and Futures Ordinance” or “SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent

LETTER FROM THE BOARD



SUN CENTURY GROUP LIMITED

太陽世紀集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1383)

Executive Directors:

Chau Cheok Wa
Yeung So Mui
Cheng Mei Ching
Yeung So Lai

Register Office:

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

Independent Non- Executive Directors:

Tou Kin Chuen
Wu Kam Fun Roderick
Lo Wai Tung John

Principal Place of Business in

Hong Kong:
Room 1201-1202, 12/F.
China Merchants Tower
Shun Tak Centre
Sheung Wan
Hong Kong

3 May 2016

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to give you information regarding the resolutions to be proposed at the AGM relating to the granting to the Directors the general mandates to issue and repurchase Shares, re-election of the Directors, and termination of the Existing Share Option Scheme and adoption of the New Share Option Scheme.

GENERAL MANDATE TO ISSUE SHARES

The Company's existing mandate to issue Shares was approved by its Shareholders at the annual general meeting held on 29 May 2015. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the AGM.

In order to ensure flexibility and discretion to the Directors, in the event that it becomes desirable to issue new Shares, approval is required to be sought from the Shareholders, pursuant to the Listing Rules, for a general mandate to issue Shares. At the AGM, an ordinary resolution No. 5(A) will be proposed to grant a general mandate to the Directors to exercise the powers of the Company to allot and issue new Shares in the share capital of the Company representing up to 20% of the total number of issued Shares immediately after the passing of the resolution in relation to such general mandate. In addition, subject to a separate approval of the ordinary resolution No. 5(C), the number of Shares repurchased by the Company under ordinary resolution No. 5(B) will also be added to the 20% general mandate as mentioned in the ordinary resolution No. 5(A). The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to such general mandate.

GENERAL MANDATE TO REPURCHASE SHARES

The Company's existing mandate to repurchase Shares was approved by its Shareholders at the annual general meeting held on 29 May 2015. Unless otherwise renewed, the existing mandate to repurchase Shares will lapse at the conclusion of the AGM.

An ordinary resolution No. 5(B) will be proposed to approve the granting of a Proposed Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the total number of issued Shares immediately after the passing of the resolution in relation to the Proposed Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to Shareholders in connection with the Proposed Repurchase Mandate is set out in Appendix 2 to this circular.

This explanatory statement contains all information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the AGM.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were 1,502,314,725 Shares in issue. On the assumption that there is no variation to the issued share capital of the Company during the period from the Latest Practicable Date to the date of passing of the resolution approving the Proposed Repurchase Mandate to repurchase Shares under ordinary resolution No. 5(B), the maximum number of Shares which may be repurchased pursuant to the Proposed Repurchase Mandate would be 150,231,472.

RETIREMENT OF DIRECTORS AND RE-ELECTION OF DIRECTORS

In accordance with Articles 87 of the Articles of Association, Ms. Yeung So Mui, Ms. Cheng Mei Ching and Mr. Tou Kin Chuen shall retire from office by rotation at the AGM. All retiring Directors, being eligible, have offered themselves for re-election at the AGM. Details of the retiring Directors to be re-elected are set out in Appendix 1 to this circular in accordance with the relevant requirements of the Listing Rules.

Mr. Tou Kin Chuen, the independent non-executive Director eligible for re-election at the AGM, has given an annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that Mr. Tou Kin Chuen meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

The Board, upon the recommendation of the Nomination Committee of the Company, has proposed the re-election of the retiring Directors. Such proposal will be put forward at the AGM for Shareholders' consideration and approval by way of ordinary resolutions.

TERMINATION OF EXISTING SHARE OPTION SCHEME AND ADOPTION OF NEW SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company on 31 January 2007 with a term of 10 years and will expire on 30 January 2017. In view of the expiration of the Existing Share Option Scheme, an ordinary resolution will be proposed at the AGM to terminate the Existing Share Option Scheme and adopt the New Share Option Scheme. Following the termination of the Existing Share Option Scheme, no further options will be granted under such scheme, but in all other respects the provisions of the Existing Share Option Scheme will remain in full force and effect and options granted prior to such termination will continue to be valid and exercisable in accordance with the rules of the Existing Share Option Scheme. Apart from the Existing Share Option Scheme, the Company had no other share option scheme currently in force as at the Latest Practicable Date.

Since the adoption of the Existing Share Option Scheme, 205,929,000 share options has been granted by the Company under the Existing Share Option Scheme and 98,881,243 share options remained outstanding as at the Latest Practicable Date.

LETTER FROM THE BOARD

The purpose of the New Share Option Scheme is to enable the Company to grant Options to selected Eligible Participants as incentives or rewards for their contribution or potential contribution to the Company. A summary of the principal terms of the New Share Option Scheme are set out in Appendix 3 to this circular.

At the AGM, an ordinary resolution will be proposed for the Company to approve and adopt the New Share Option Scheme, which will take effect on the date of its adoption at the AGM subject to the Stock Exchange granting approval for the listing of and dealing in the Shares to be issued and allotted pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

Although the rules of the New Share Option Scheme provide that the New Share Option Scheme is not subject to any performance target and does not prescribe any specific minimum period for which an option must be held before it can be exercised, the Board believes that the ability for the Board to prescribe at its discretion a minimum period for which an Option must be held before it can be exercised and the requirement for a minimum exercise price (which is summarised in paragraph (D) in the Appendix 3 to this circular) of the New Share Option Scheme will serve to protect the value of the Shares and encourage Eligible Participants to acquire proprietary interests in the Company which will increase in value in line with the contribution by the Eligible Participants to the Company, so as to achieve the purpose of the New Share Option Scheme. No trustee will be appointed under the New Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all Options that can be granted under the New Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of the option value have not been determined. The Directors believe that any statement regarding the value of the Options as at the Latest Practicable Date would not be meaningful and could potentially be misleading to the Shareholders, taking into account the number of variables which are crucial for the calculation of the option value which have not been determined. Such variables include the exercise price, exercise period, and vesting period (if any), any performance targets set and other relevant factor (if any).

None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such trustee (if any) of the New Share Option Scheme with respect to the operation of the New Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

Conditions Precedent of the New Share Option Scheme

The adoption of the New Share Option Scheme is conditional upon:

- (1) the passing of an ordinary resolution by the Shareholders at the AGM to approve the adoption of the New Share Option Scheme; and

LETTER FROM THE BOARD

- (2) the Listing Committee (as defined in the Listing Rules) of the Stock Exchange granting the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the Adoption Date, the number of Shares that may fall to be allotted and issued upon exercise in full of the Options that may be granted after the resolution authorising the Directors to allot and issue up to 10% of the then issued share capital of the Company has passed at the AGM would be 150,231,472 Shares should the New Share Option Scheme be adopted pursuant to Rule 17.03(3) of the Listing Rules. The limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other schemes must not exceed 30% of the relevant class of securities of the Company in issue from time to time.

A copy of the rules of the New Share Option Scheme will be available for inspection at the principal place of business of the Company in Hong Kong at Room 1201-1202, 12/F, China Merchants Tower, Shun Tak Centre, Sheung Wan, Hong Kong from 9:30 a.m. to 5:00 p.m. on any weekday (Saturdays and public holidays excepted) for a period of 14 days before the date of the AGM.

To the best of the Directors' knowledge, information and relief having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution to approve the adoption of the New Share Option Scheme.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme and at the AGM.

VOTING AT THE AGM

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions will be put to vote by way of poll at the AGM. An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

Pursuant to Article 66 of the Articles of Association, subject to any special rights or restrictions as to voting for the time being attached to any Shares by or in accordance with the Articles of Association, at AGM, on poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he/she/it is the holder but so that no amount paid up or credited as paid up on a Share in advance of calls or instalments is treated for the foregoing purposes as paid up on the Share.

LETTER FROM THE BOARD

A Shareholder entitled to more than one vote on a poll need not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

Where there are joint holders of any Shares any one of such joint holder may vote, either in person or by proxy, in respect of such Share as if he/she/it 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 of members in respect of the joint holding. Several executors or administrators of a deceased Shareholder in whose name any Share stands shall for the purposes of the Articles of Association be deemed joint holders thereof.

In the case of an equality of votes, the chairman of the AGM shall be entitled to a second or casting vote in addition to any other vote he may have.

If (i) any objection is raised as to the qualification of any voter, (ii) any votes have been counted which ought not to have been counted or which might have been rejected, (iii) or any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the AGM or adjourned AGM on any resolution unless the same is raised or pointed out at the AGM or, as the case may be, the adjourned AGM at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the AGM and shall only vitiate the decision of the AGM on any resolution if the chairman decides that the same may have affected the decision of the AGM. The decision of the chairman on such matters shall be final and conclusive.

FORM OF PROXY

A form of proxy is enclosed for use at the AGM and at any adjournment thereof. Whether or not you intend to be present at the AGM or any adjourned meeting thereof, you are requested to complete the form of proxy and return it to the Company in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time fixed for the holding of the AGM or any adjourned meeting thereof. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the AGM or any adjourned meeting thereof should they so wish.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the period from Wednesday, 1 June 2016 to Thursday, 2 June 2016, for the purposes of determining the entitlements of the Shareholders to attend and vote at the AGM. No transfer of Shares may be registered on the days. In order to qualify to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with 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, Wanchai, Hong Kong, by no later than 4:30 p.m. on Tuesday, 31 May 2016.

RESPONSIBILITY STATEMENT

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 Directors consider that the proposed resolutions for the granting to the Directors of the general mandate to issue Shares, the Proposed Repurchase Mandate, the re-election of the Directors and the termination of the Existing Share Option Scheme and the adoption of the New Share Option Scheme are in the interests of the Group as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board
Chau Cheok Wa
Chairman

The following are the particulars of the retiring Directors (as required by the Listing Rules) proposed to be re-elected at the AGM.

MS. YEUNG SO MUI, AGED 40, EXECUTIVE DIRECTOR (“MS. YEUNG”)

(a) position held with other members of the Group

Ms. Yeung joined the Group on 5 October 2010 as an executive Director. Save as disclosed, Ms. Yeung does not hold any positions with other members of the Group.

(b) experience including (i) other directorships held in last three year in public companies the securities of which are listed on any securities market in Hong Kong or overseas, and (ii) other major appointments and professional qualifications

Ms. Yeung is the founder and a director of Sparkly Life Charity Fund Limited and has been appointed as a director of Yan Oi Tong Limited since 1 April 2013. Ms. Yeung is experienced in corporate management. Save as disclosed, Ms. Yeung does not hold or did not hold any directorship in any listed companies in the last three years immediately preceding the Latest Practicable Date.

(c) length or proposed length of service with the Company

Ms. Yeung has been appointed an executive Director since 5 October 2010. There is no service contract between the Company and Ms. Yeung. Ms. Yeung is not appointed for any specific term and is subject to retirement by rotation and other related provisions as stipulated in the articles of association of the Company.

(d) relationships with any Directors, senior management or substantial or controlling shareholders of the Company

Ms. Yeung is the sister of Ms. Yeung So Lai and sister-in-law of Ms. Cheng Mei Ching. Both Ms. Yeung So Lai and Ms. Cheng Mei Ching is the executive director of the Company. Ms. Yeung is the spouse of Mr. Cheng Ting Kong, who is a director of a substantial shareholder of the Company, Fame Select Limited, which is owned 50% interest by Mr. Cheng Ting Kong and 50% by Mr. Chau Cheok Wa. Save as disclosed, Mr. Yeung does not have any relationship with any Director, senior management, substantial shareholders or controlling shareholders of the Company.

(e) interest in shares of the Company within the meaning of Part XV of the SFO

As at the Latest Practicable Date, Ms. Yeung’s spouse, Mr. Cheng Ting Kong holds 50% interest in Fame Select Limited, a substantial shareholder of the Company holding 861,048,842 Shares and therefore Ms. Yeung is deemed to have interest in 864,048,842 Shares. Save as disclosed, Ms. Yeung does not have any interest in the Shares within the meaning of Part XV of the SFO.

- (f) amount of the Director’s emoluments and the basis of determining the Director’s or supervisor’s emoluments (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the director are covered by a service contract**

Payment of bonus is determined with reference to the Company’s business performance, profitability and market conditions. Other benefits include contribution to statutory pension plans and other fringe benefits according to the policy of the Company. The amount of remuneration has been approved by the Board and remuneration committee. The total remuneration paid to Ms. Yeung for the year ended 31 December 2015 was HK\$120,000.

- (g) disclosure requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules**

Save as disclosed, there is no information which is discloseable nor is/was Ms. Yeung involved in any of the matters required to be disclosed pursuant to any of the requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

- (h) other matters that need to be brought to the attention of the Shareholders**

Save as disclosed, there is no other matters in relation to the re-election of Ms. Yeung as Director that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to any of the requirements under rules 13.51(2).

MS. CHENG MEI CHING, AGED 34, EXECUTIVE DIRECTOR (“MS. CHENG”)

- (a) position held with other members of the Group**

Ms. Cheng joined the Group on 2 September 2011 as an executive Director. Save as disclosed, Ms. Cheng does not hold any positions with other members of the Group.

- (b) experience including (i) other directorships held in last three year in public companies the securities of which are listed on any securities market in Hong Kong or overseas, and (ii) other major appointments and professional qualifications**

Ms. Cheng holds a bachelor’s degree in commerce (marketing and advertising) from Curtin University of Technology in Perth, Western Australia. Ms. Cheng has over the past adopted a pragmatic and proactive management approach; and delivered solid performance in various areas, in particular corporate management and internal control. Ms. Cheng is currently an executive director of Sun International Resources Limited (“Sun International”), a company listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8029). Save as disclosed, Ms. Cheng does not hold or did not hold any directorship in any listed companies in the last three years immediately preceding the Latest Practicable Date.

(c) length or proposed length of service with the Company

Ms. Cheng has been appointed an executive Director since 2 September 2011. There is no service contract between the Company and Ms. Cheng. Ms. Cheng is not appointed for any specific term and is subject to retirement by rotation and other related provisions as stipulated in the articles of association of the Company.

(d) relationships with any Directors, senior management or substantial or controlling shareholders of the Company

Ms. Cheng is sister-in-law of Ms. Yeung. Save as disclosed, Mr. Cheng does not have any relationship with any Director, senior management, substantial shareholders or controlling shareholders of the Company.

(e) interest in shares of the Company within the meaning of Part XV of the SFO

As at the Latest Practicable Date, Ms. Cheng does not have any interest in the Shares within the meaning of Part XV of the SFO.

(f) amount of the Director's emoluments and the basis of determining the Director's or supervisor's emoluments (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the director are covered by a service contract

Payment of bonus is determined with reference to the Company's business performance, profitability and market conditions. Other benefits include contribution to statutory pension plans and other fringe benefits according to the policy of the Company. The amount of remuneration has been approved by the Board and remuneration committee. The total remuneration paid to Ms. Cheng for the year ended 31 December 2015 was HK\$120,000.

(g) disclosure requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules

Save as disclosed, there is no information which is discloseable nor is/was Ms. Cheng involved in any of the matters required to be disclosed pursuant to any of the requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

(h) other matters that need to be brought to the attention of the Shareholders

Save as disclosed, there is no other matters in relation to the re-election of Ms. Cheng as Director that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to any of the requirements under rules 13.51(2).

MR. TOU KIN CHUEN¹, AGED 39, INDEPENDENT NON-EXECUTIVE DIRECTOR (“MR. TOU”)**(a) position held with other members of the Group**

Mr. Tou joined the Group on 26 April 2012 as an independent non-executive Director, chairman of audit committee and the members of remuneration committee and nomination committee. Save as disclosed, Mr. Tou does not hold any positions with other members of the Group.

(b) experience including (i) other directorships held in last three year in public companies the securities of which are listed on any securities market in Hong Kong or overseas, and (ii) other major appointments and professional qualifications

Mr. Tou is the principal of Roger K.C. Tou & Co. Mr. Tou graduated from the Hong Kong Shu Yan University (formerly known as Hong Kong Shu Yan College) with a Honours Diploma in Accounting in 2001. He is experienced in audit, taxation, company secretarial, insolvency and finance over 15 years. Mr. Tou is a member of the Hong Kong Institute of Certified Public Accountants and an associate of the Taxation Institute of Hong Kong. Mr. Tou has been the independent non-executive director of Sun International and Milan Station Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 1150), since 14 March 2011 and 22 July 2015 respectively. Save as disclosed, Mr. Tou does not hold or did not hold any directorship in any listed companies in the last three years immediately preceding the Latest Practicable Date.

(c) length or proposed length of service with the Company

Mr. Tou is an independent non-executive Director since 26 April 2012. Mr. Tou has entered a service contract with the Company for a term of 3 years and is subject to retirement by rotation and other related provisions as stipulated in the articles of association of the Company. The service contract of Mr. Tou, if elected, will be renewed with effect from the conclusion of the AGM for a term of not more than approximately 3 years expiring at the conclusion of the Company’s annual general meeting to be held in 2019.

(d) relationships with any Directors, senior management or substantial or controlling shareholders of the Company

Mr. Tou does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

(e) interest in shares of the Company within the meaning of Part XV of the SFO

As at the Latest Practicable Date, Mr. Tou does not have any interest in the Shares within the meaning of Part XV of the SFO.

- (f) amount of the Director's emoluments and the basis of determining the Director's or supervisor's emoluments (including any bonus payments, whether fixed or discretionary in nature, irrespective of whether the director are covered by a service contract**

Payment of bonus is determined with reference to the Company's business performance, profitability and market conditions. Other benefits include contribution to statutory pension plans and other fringe benefits according to the policy of the Company. The amount of remuneration has been approved by the Board and remuneration committee. The total remuneration paid to Mr. Tou for the year ended 31 December 2014 was HK\$120,000.

- (g) disclosure requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules**

Save as disclosed, there is no information which is discloseable nor is/was Mr. Tou involved in any of the matters required to be disclosed pursuant to any of the requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

- (h) other matters that need to be brought to the attention of the Shareholders**

Save as disclosed above, there is no other matters in relation to the re-election of Mr. Tou as Director that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to any of the requirements under rules 13.51(2).

APPENDIX 2 EXPLANATORY STATEMENT ON REPURCHASE OF SHARES

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Proposed Repurchase Mandate to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to be proposed at the AGM in relation to the Proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, there were in issue a total of 1,502,314,725 Shares of nominal value of HK\$0.10 each. Subject to the passing of the ordinary resolution granting the Proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 150,231,472 Shares which represent 10% of the total number of issued Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required to be held by law or by the Articles of Association, or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

Listing Rule 10.06(5) provides that the listing of all Shares purchased by the Company is automatically cancelled and that the certificates for those shares must be cancelled and destroyed.

REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interest of the Company and the Shareholders as a whole to seek the Proposed Repurchase Mandate from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share 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.

Repurchases of Shares will be financed out of funds legally available for such purpose and in accordance with the Articles of Association, the Companies Law, the applicable laws of Cayman Islands and Hong Kong, as well as the Listing Rules. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased by the Company in the manner provided for in the Companies Law. Under the Companies Law, the Shares so repurchased will be treated as cancelled upon share repurchase, unless the Directors resolve prior to the share repurchase that upon the share repurchase the Shares shall be held in the name of the Company as treasury shares. The aggregate amount of authorised share capital will not be reduced as a consequence of the Share repurchase.

APPENDIX 2 EXPLANATORY STATEMENT ON REPURCHASE OF SHARES

At present, the Directors have no intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interest of the Company. The Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the current prevailing market value, it may have a material adverse impact on the working capital but possibly not the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2015, being the date the latest published audited consolidated financial statements of the Company. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

GENERAL

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

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

As at the Latest Practicable Date, no core connected person has notified the Company that he/she has a present intention to sell any Shares to the Company, or has undertaken not to do so in the event that the Proposed Repurchase Mandate is approved at the AGM and is exercised.

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 Rule 32 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 Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any other consequence which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Proposed Repurchase Mandate.

APPENDIX 2 EXPLANATORY STATEMENT ON REPURCHASE OF SHARES

As at the Latest Practicable Date and to the best knowledge and belief of the Directors, Fame Select Limited held 861,048,842 Shares, representing approximately 57.31% of the issued Share capital of the Company. In the event that the Directors should exercise in full the Proposed Repurchase Mandate, the attributable shareholding of Fame Select Limited in the Company will be increased to approximately 63.68% of the issued Shares (if the present shareholding remains the same). Accordingly, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase made under the Proposed Repurchase Mandate. The Board currently has no intention to exercise the Proposed Repurchase Mandate to such extent which will trigger a mandatory offer under Rule 26 of Turnovers Code.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the repurchase would result in a reduction of the amount of shares held by the public to less than 25%. The Directors do not intend to repurchase Shares to an extent which would reduce the aggregate amount of Shares held by the public to less than 25%.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

SHARE PRICES

During each of the previous 12 months preceding the Latest Practicable Date, the highest and lowest traded prices for the Shares recorded on the Stock Exchange were as follows:

Month	Shares	
	Highest (HK\$)	Lowest (HK\$)
2015		
April	1.080	0.640
May	0.950	0.730
June	1.150	0.570
July	0.820	0.350
August	0.580	0.330
September	0.430	0.320
October	0.395	0.315
November	0.355	0.275
December	0.300	0.245
2016		
January	0.260	0.175
February	0.255	0.178
March	0.260	0.209
April (up to the Latest Practicable Date)	0.255	0.220

The following is a summary of the principal terms of the New Share Option Scheme but does not form part of, nor was it intended to be, the New Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the New Share Option Scheme:

(A) PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to provide incentives and/or rewards to Eligible Participants for their contributions to, and continuing efforts to promote the interests of, the Company.

(B) ADMINISTRATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to the New Share Option Scheme or its interpretation or effect shall (save as otherwise provided herein, including but not limited to (a) the Scheme Mandate Limit; (b) the grant of Options to any of the substantial Shareholder (as defined in the Listing Rules) of the Company, an independent non-executive Director, connected person(s) (as defined in the Listing Rules) of the Company or any of their respective associates in certain circumstances, and any changes in the terms thereof; (c) the adjustment to be made in the event of any alternation in the capital structure of the Company; (d) the cancellation of Options; and (e) the alternation and termination of the New Share Option Scheme, and in the absence of manifest error) be final and binding on all persons who may be affected thereby.

(C) GRANT AND ACCEPTANCE OF OPTIONS

Subject to the terms of the New Share Option Scheme, the Board may, in its absolute discretion, invite any Eligible Participants to take up Options to subscribe for Shares at a price calculated in accordance with paragraph (D) below.

An offer of the grant of an Option shall be made to Eligible Participants in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine and shall remain open for acceptance by the Eligible Participant concerned for a period of twenty-one (21) days inclusive of, from the date upon which it is made provided that no such offer shall be open for acceptance after the earlier of the close of business of the Company on the date which falls ten (10) years after the Adoption Date or the termination of the New Share Option Scheme or the Eligible Participant to whom such offer is made has ceased to be an Eligible Participant.

A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of an Option. An Option shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Option duly signed by the Eligible Participant together with the said consideration of HK\$1.00 is received by the Company.

Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in such number of Shares as represents a board lot for the time being for the purpose of trading on the Stock Exchange or an integral multiple thereof.

(D) EXERCISE OF OPTIONS AND PRICE OF SHARES

An Option may be exercised in whole or in part by the grantee giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the subscription price for the Shares in respect of which the notice is given. Within thirty (30) days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate of the Company's auditors or independent financial advisers, the Company shall allot and issue the relevant Shares to the grantee (or his legal personal representative(s)) credited as fully paid.

Holders of the Options are not entitled to voting, dividend, transfer and other rights of the holders of the Shares, including those arising on a liquidation of the Company, save as otherwise provided herein or under the relevant laws or the memorandum of association of the Company and the Articles in effect from time to time. Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the Articles for the time being in force and will rank pari passu in all respects with the existing fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the "**Exercise Date**") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted upon the exercise of an Option shall not carry voting rights until the name of the grantee has been duly entered onto the register of members of the Company as the holder thereof.

The subscription price for Shares under the New Share Option Scheme determined by the Board at its absolute discretion but in any event will not be less than the highest of (i) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the stock Exchange on the Offer Date, which must be a Business Day; (ii) the average of the closing prices of the Shares as shown in the daily quotations sheets of the stock Exchange for the 5 Business Days immediately preceding the Offer Date and (iii) the nominal value of a Share on the Offer Date.

(E) MAXIMUM NUMBER OF SHARES AVAILABLE FOR ISSUE

- (i) Subject to the Listing Rules, the overall limit on the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the relevant class of Shares in issue from time to time. No Options may be granted under the New Share Option Scheme or any other share option schemes of the Company if this will result in this limit being exceeded.

- (ii) Subject to the limit mentioned in paragraph (E)(i) above, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the Shares in issue as at the date of the approval of the New Share Option Scheme (the “**Scheme Mandate Limit**”), unless Shareholders’ approval has been obtained pursuant to sub-paragraphs (iii) and (iv) below. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (iii) Subject to the limit mentioned in paragraph (E)(i) above, the Company may refresh the Scheme Mandate Limit at any time subject to approval of the Shareholders in general meeting, provided that the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of passing the relevant resolution. Options previously granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised Options) will not be counted for the purpose of calculating the this limit. The Company must send a circular to the Shareholders containing such information as required under the Listing Rules.
- (iv) Subject to the limit mentioned in paragraph (E)(i) above, the Company may also seek separate approval of the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing a generic description of the specified Eligible Participants, the number and terms of Options to be granted, the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose and such other information as required under the Listing Rules.

(F) GRANT OF OPTIONS TO CONNECTED PARTICIPANT(S) OR ANY OF THEIR ASSOCIATES

Any grant of Options to a connected person (including but not limited to a Director, or substantial Shareholder) or its associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).

Where Options are proposed to be granted to a connected person who is also a substantial Shareholder or an independent non-executive Director or their respective associates, and if such grant of options would result in the total number of Shares issued and to be issued upon exercise of the Options granted and to be granted (including Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of the grant of such options to such person representing in aggregate over 0.1% of the total number of issued Shares and have an aggregate value (based on the closing price of the securities at the date of each grant of these Options) exceeding HK\$5,000,000, then the proposed grant must be subject to the approval of the Shareholders in a general meeting (taken on a poll) in accordance with the requirements of the Listing Rules. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting.

A circular must be prepared by the Company explaining the proposed grant, disclosing, among other matters, (i) the number and terms of the Options to be granted, (ii) containing a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a grantee) on whether or not to vote in favour of the proposed grant, and (iii) containing information relating to any Directors who are trustees of the scheme or have a direct or indirect interest in the trustees.

Any change in the terms of Options granted to a connected person or its associates must be approved by Shareholders in a general meeting.

(G) MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

The total number of Shares issued and to be issued upon exercise of the options granted to each Eligible Participant or grantee (including exercised and outstanding options) in any twelve (12)-month period up to the date of grant shall not exceed 1% of the Shares in issue. Where it is proposed that any offer is to be made to an Eligible Participant (or where approximate, an existing grantee) which would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the twelve (12)-month period up to and including the relevant date of grant to exceed such limit, such offer and any acceptance thereof must be conditional upon Shareholders' approval in general meeting with such Eligible Participant (or where appropriate, an existing grantee) and his, her or its close associates (or his, her or its associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Eligible Participant or grantee, the number and terms of options to be granted (and options previously granted) to such Eligible Participant, and the information required under the Listing Rules. The number and terms (including the subscription price) of options to be granted to such Eligible Participant must be fixed before the date on which Shareholders' approval is sought and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(H) TIME OF EXERCISE OF OPTIONS

Subject to the terms of the New Share Option Scheme, an Option may be exercisable in whole or in part at any time during such period(s) to be determined and notified by the Directors to the grantee, thereof at the time of making an Offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular Option but subject to the early termination of the New Share Option Scheme (the "Option Period").

There is no specified minimum period under the New Share Option Scheme for which an Option must be held or the performance target which must be achieved before an Option can be exercised under the terms of the New Share Option Scheme.

(I) RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

Grant of Options may not be made:

- (1) after inside information has come to the knowledge of the Company until it has been announced pursuant to the requirements of the Listing Rules; and
- (2) during the period commencing from one month immediately preceding the earlier of:
 - (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to publish its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcements.

(J) RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the grantee of the Option and shall not be assignable. No grantee of the Option shall in any way sell, transfer, charge, mortgage, encumber or create any interest whatsoever in favour of any third party over or in relation to any Option or enter into any agreement so to do. Any breach of the foregoing by a grantee of the Option shall entitle the Company to cancel any Option or part thereof granted to such grantee to the extent not already exercised.

(K) RIGHTS ON CESSATION OF EMPLOYMENT BY DISMISSAL

If the grantee of an Option is an employee and ceases to be an employee on one or more of the grounds that he or she has been guilty of persistent or serious misconduct, bankruptcy, insolvency, composition with his or her creditors generally or conviction of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or the Group into disrepute) or any other ground(s) on which the Group would be entitled to terminate his or her employment pursuant to any applicable law, his or her Option (to the extent not already exercised) will lapse on the date of cessation of his or her employment.

(L) RIGHTS ON DEATH

If the grantee of an Option ceases to be an Eligible Participant by reason of his or her death before exercising the Options in full and none of the events referred to in paragraph (K) above as ground for termination of his or her Options arises, his or her personal representative(s) may exercise the Option (to the extent not already exercised) within a period of six months following the date of death (or such longer period as the Board may determine), failing which it will lapse. If any of the events referred to in paragraphs (P) to (R) below occurs during such period, his or her personal representative(s) may exercise the Option pursuant to paragraphs (P) to (R) respectively.

(M) RIGHTS ON CESSATION OF EMPLOYMENT BY REASON OF ILL-HEALTH OR RETIREMENT

If the grantee of an Option is an employee and ceases to be an employee by reason of ill-health or retirement in accordance with his or her contract of employment, he or she may exercise the Option (to the extent not already exercised) within a period of six months following the date of such cessation, failing which it will lapse. The date of cessation shall be the last day on which the grantee is actually at work with the Group whether salary is paid in lieu of notice or not. If any of the events referred to in paragraphs (P) to (R) below occurs during such period, he or she may exercise the Option pursuant to paragraphs (P) to (R) respectively.

(N) RIGHTS ON CESSATION FOR OTHER REASONS

If the grantee of an Option ceases to be an Eligible Participant for any reason other than the reasons set out in paragraphs (L) and (M) above, his or her Option (to the extent not already exercised) will lapse on the date of cessation.

(O) RIGHTS ON BREACH OF CONTRACT

If the grantee of an Option who is a business or joint venture partner, contractor, agent or representative, consultant, adviser, supplier, producer or licensor, customer, licensee (including any sub-licensee) or distributor, landlord or tenant (including sub-tenant) of the Group ceasing to be an Eligible Participant by reason of breach of contract entered into between such Eligible Participant and the Company, in the absolute determination of the Board, the Option shall lapse on the date of the Board's determination and not be exercisable.

(P) RIGHTS ON A GENERAL OFFER

In the event of a general offer being made to all Shareholders or all such holders other than the offeror and/or person controlled by the offeror and/or any person acting in concert (as defined in the Takeovers Code with the offeror) and such offer becomes or is declared unconditional during the Option Period of the relevant Option, the grantee (or his or her personal representative(s)) shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within thereafter and up to the close of such offer.

(Q) RIGHTS ON WINDING UP

In the event a notice is given by the Company to its members to convene an extraordinary general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as it despatches such notice to each member of the Company give notice thereof to all grantees and any grantee (or his or her personal representative(s) may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price in respect of the relevant Option (such notice shall be received by the Company no later than five (5) Business Days prior to the proposed general meeting)) exercise the Option (to the extent not already exercised) either to its full extent or to the extent that he or she may specify in his or her notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue such number of Shares to the grantee credited as fully paid.

(R) RIGHTS ON RECONSTRUCTION, COMPROMISE OR ARRANGEMENT

If a compromise or arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice to the grantee on the same date as it despatches the notice to each member or creditor of the Company to summon a meeting to consider such a compromise or arrangement, and thereupon the grantee (or his or her personal representative(s)) may by notice in writing to the Company accompanied by a remittance of the full amount of the subscription price in respect of which the notice is given (such notice shall be received by the Company no later than five (5) Business Days prior to the proposed meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in the notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting allot and issue such number of Shares to the grantee credited as fully paid.

(S) CANCELLATION OF OPTIONS

Any Option granted but not exercised may not be cancelled except with the written consent of the relevant grantee and the prior approval of the Directors. Any cancellation of Options granted but not exercised and the issuance of new Options to the same grantee may only be made under the New Share Option Scheme with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit referred to in paragraph (E)(i) above. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

(T) EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company by way of capitalisation of profits or reserved, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), such corresponding alternations (if any) will be made in:

- (a) the numbers or nominal number of Shares subject to any Options so far as such option remains unexercised; and/or
- (b) the subscription price per Share as the auditors or independent financial advisers for the time being of the Company shall at the request of the Company or any grantee certify in writing to be in their opinion fair and reasonable; provided that any such alterations shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company to which he or she was entitled before such alteration and the aggregate subscription price payable by the grantee on the full exercise of any Option shall remain as nearly as possible the same as (but not greater than) it was before such event, but so that no such alterations shall be made the effect of which would be to enable a Share to be issue at less than its nominal value. Save in the case of a capitalisation issue, the auditors or independent financial advisers for the time being of the Company must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements.

(U) RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Articles for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date on which the Option is exercised and accordingly will entitle the holders of Shares to participate in all dividends or other distributions paid or made on or after the date on which the Option is exercised other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment.

(V) DURATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall continue in force for the period commencing from the Adoption Date, which is expected to be the date of the AGM, and expiring at the close of business on the date which falls ten (10) years after the Adoption Date, after such period no further Options will be granted but the provisions of the New Share Option Scheme shall remain in full force and effect in respect of any Options granted before its expiry or termination but not yet exercised.

(W) ALTERATIONS TO THE TERMS OF THE NEW SHARE OPTION SCHEME

- (i) The provisions relating to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of Eligible Participants without the prior approval of Shareholders in a general meeting.
- (ii) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by Shareholders, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (iii) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (iv) Any change to the authority of the Directors or the administrator of the New Share Option Scheme in relation to any alteration to the terms of the New Share Option Scheme must be approved by Shareholders in a general meeting.

(X) CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme is conditional on (i) the passing of an ordinary resolution by the Shareholders of the AGM to approve the adoption of the New Share Option Scheme; and (ii) the Listing Committee (as defined in the Listing Rules) of the Stock Exchange granting the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

(Y) LAPSE OF OPTIONS

An Option shall lapse automatically (to the extent not already exercised) on the earliest of: (i) the expiry of the Option Period; (ii) the expiry of any of the periods referred to in paragraphs (K) to (R); (iii) the date on which the Directors shall exercise the Company's right to cancel the Option by reason of a breach of paragraph (J) by the grantee of the Option in respect of that or any other Option; and (iv) the date of the commencement of the winding-up of the Company.

(Z) TERMINATION

The Company by ordinary resolution in general meeting may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted prior to such termination.

Details of the Options granted, including Options exercised or outstanding, under the New Share Option Scheme shall be disclosed in the circular to Shareholders seeking approval of any subsequent share option scheme to be established after such termination.

(AA) MISCELLANEOUS

The terms of the New Share Option Scheme (and any other schemes adopted by the Company from time to time) shall be in accordance with the requirements set out in Chapter 17 of the Listing Rules.

The Company will comply with the relevant statutory requirements and the Listing Rules from time to time in force on a continuing basis in respect of the New Share Option Scheme and any other schemes of the Company.

Any dispute arising in connection with the number of Shares of an Option and any of the matters referred to in paragraph (T) above shall be referred to the decision of the auditors or the independent financial advisers of the Company who shall act as experts and not as arbitrators and whose decision, in the absence of manifest error, shall be final and conclusive.

NOTICE OF ANNUAL GENERAL MEETING



SUN CENTURY GROUP LIMITED

太陽世紀集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1383)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the Sun Century Group Limited (the “Company”) will be held at Training Room A, The Joint Professional Centre, Unit 1, G/F., The Center, 99 Queen’s Road Central, Hong Kong on Thursday, 2 June 2016, at 4:00 p.m. for the following:

ORDINARY BUSINESS

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the directors and independent auditor for the year ended 31 December 2015.
2. To re-elect the following retiring directors of the Company:
 - (i) Ms. Yeung So Mui as an executive director of the Company,
 - (ii) Ms. Cheng Mei Ching as an executive director of the Company, and
 - (iii) Mr. Tou Kin Chuen as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company to fix the director’s remuneration for the year ending 31 December 2016.
4. To re-appoint Andes Glacier CPA Limited as an independent auditor of the Company and to authorise the board of directors to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

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

(A) **“That:**

- (i) subject to paragraph (A)(iii) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue or otherwise deal with additional shares of the Company (the “Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for Shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into Shares) which may require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (A)(i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and/or options which may require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors during the Relevant Period pursuant to paragraph (A)(i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire Shares; or (3) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “Articles of Association”) in force from time to time; or (4) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the total number of issued Shares as at the date of passing this resolution and the said approval shall be limited accordingly; and

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- (iv) for the purpose of this resolution:
- (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or
 - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (b) “Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members on a fixed record date in proportion to their holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) **“That:**

- (i) subject to paragraph (B)(ii) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the issued shares of the Company (the “Shares”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong (the “Commission”) and the Stock Exchange and, subject to and in accordance with all applicable laws, the Code on Share Buy-backs issued by the Commission and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;

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- (ii) the aggregate number of the Shares, which the Company is authorised to repurchase pursuant to the approval in paragraph (B)(i) above shall not exceed 10% of the total number of issued Shares at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (B)(i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (B)(i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

- (C) “**That** conditional upon the resolutions numbered 5(A) and 5(B) as set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company (the “Directors”) to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company (the “Shares”) and to make or grant offers, agreements and options which may require the exercise of such powers pursuant to the ordinary resolution numbered 5(A) above be and is hereby extended by the addition to the aggregate number of Shares which may be allotted by the Directors pursuant to such general mandate of the aggregate number of Shares repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 5(B) as set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the total number of issued Shares at the date of passing of this resolution.”

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- (D) “**That** the existing share option scheme of the Company adopted on 31 January 2007 be and is hereby terminated and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting listing of, and permission to deal in, the shares of the Company falling to be allotted and issued pursuant to the exercise of any options granted under the new share option scheme (the “New Share Option Scheme”) of the Company, the terms of which are set out in the document marked “A” which has been signed by the chairman of this meeting and produced to this meeting for the purpose of identification, the rules of the New Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to approve further amendments to the rules of the New Share Option Scheme as may be acceptable or not objected to by the Stock Exchange and to grant options and to allot, issue and deal with any shares of the Company pursuant to the exercise of any options granted thereunder and to take all such steps and to take all such steps as they may consider necessary or expedient to give effect to the New Share Option Scheme.

By order of the Board
Chau Cheok Wa
Chairman

Hong Kong, 3 May 2016

Notes:

- (i) Resolution numbered 5(C) will be proposed to the shareholders for approval provided that ordinary resolutions numbered 5(A) and 5(B) are first passed by the shareholders of the Company (the “Shareholders”).
- (ii) A Shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as proxy to attend and, on a poll, vote in accordance with the articles of association of the Company. A proxy need not be a Shareholder.
- (iii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s); and for this purpose seniority shall be determined as the person so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude members of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.

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- (v) The Company's register of members will be closed during the period from Wednesday, 1 June 2016 to Thursday, 2 June 2016, both days inclusive, for the purpose of ascertaining the Shareholders' entitlement to attend and vote at the annual general meeting. In order to be eligible to attend and vote at the annual general meeting, all duly completed transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited located at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 31 May 2016.
- (vi) In respect of the ordinary resolution numbered 5(A) above, the directors of the Company (the "Directors") state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the Shareholders as a general mandate for the purposes of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").
- (vii) In respect of ordinary resolution numbered 5(B) above, the Directors state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of Shareholders. The Explanatory Statement containing the information necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix 2 to the accompanied circular dated 3 May 2016.

As at the date of this notice, the executive Directors are Mr. Chau Cheok Wa, Ms. Yeung So Mui, Ms. Cheng Mei Ching and Ms. Yeung So Lai; and the independent non-executive Directors are Mr. Tou Kin Chuen, Dr. Wu Kam Fun Roderick and Mr. Lo Wai Tung John