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If you have sold or transferred all your shares in **EVA Precision Industrial Holdings Limited** (the “Company”), you should at once hand this document, together with the form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



EVA Precision Industrial Holdings Limited
億和精密工業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 838)

PROPOSALS FOR
(1) RE-ELECTION OF RETIRING DIRECTORS AND
CONTINUOUS APPOINTMENT OF INDEPENDENT NON-EXECUTIVE
DIRECTOR WHO HAS SERVED NEARLY NINE YEARS
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
(3) ADOPTION OF NEW SHARE OPTION SCHEME

A letter from the chairman of the Company is set out on pages 4 to 11 of this document. A notice convening the annual general meeting of the shareholders of the Company to be held at Room 636, 6th Floor, Kowloon Bay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong on Thursday, 21 May 2015 at 3:00 p.m. is set out on pages 24 to 27 of this document.

A form of proxy for the said meeting is enclosed with this document. Whether or not you intend to be present at the said meeting, you are requested to complete the form of proxy and return it to the principal place of business of the Company at Unit 8, 6th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the annual general meeting or any adjournment thereof (as the case may be). The completion and return of a form of proxy will not preclude you from attending and voting at the said meeting in person.

This document, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this document 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 document misleading.

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DEFINITIONS

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

“2014 Annual Report”	the 2014 annual report of the Company
“AGM”	the annual general meeting of the Company to be held at Room 636, 6th Floor, Kowloon Bay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong on Thursday, 21 May 2015 at 3:00 p.m. or any adjournment thereof
“Articles”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors or a duly authorised committee of the board of Directors
“Business Associate”	(i) any adviser or consultant (in the areas of technical, financial or corporate management) to any member of the Group; (ii) any provider of goods and/or services to the Group; or (iii) any customer of the goods and/or services of the Group who, at the sole determination of the Board, is not a competitor of the Group and has contributed to the development and expansion of the Group and/or whose contribution to the future development and expansion of the Group is desired
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	EVA Precision Industrial Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the main board operated by the Stock Exchange
“Companies Ordinance”	the Companies Ordinance (Cap. 622 of the Laws of Hong Kong)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) from time to time of the Company
“Effective Date”	the date on which the New Share Option Scheme is adopted by resolution of the Shareholders

DEFINITIONS

“Eligible Participants”	employees of the Group (whether full-time or part-time), directors (including executive directors, non-executive directors and independent non-executive directors) of the Group, substantial shareholders of each member of the Group, associates of directors or substantial shareholders of the Group, the trustees of any trust pre-approved by the Board the beneficiaries (or in case of discretionary trust, the discretionary objects) of which include any of the above-mentioned persons and Business Associates
“Expired Share Option Scheme”	the share option scheme adopted by the Company on 20 April 2005, which expired on 19 April 2015
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	13 April 2015, being the latest practicable date prior to the printing of this document for ascertaining certain information for inclusion in this document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“New Share Option Scheme”	the share option scheme proposed to be adopted by the Shareholders at the AGM, a summary of the principal terms of which is set out in “Summary of the Principal Terms of the New Share Option Scheme” to this document
“Offer”	an offer to grant an Option
“Option”	an option to subscribe for Shares granted or to be granted under the Expired Share Option Scheme or, after its expiry, under the New Share Option Scheme
“PRC”	The People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of \$0.1 each in the share capital of the Company (or of such other nominal amount as comprising the ordinary share capital of the Company as shall result from a sub-division or a consolidation of the share capital of the Company from time to time)
“Shareholder(s)”	shareholder(s) of the Company

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	means a company which is for the time being a subsidiary (within the meaning of the Companies Ordinance) of the Company
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE CHAIRMAN



EVA Precision Industrial Holdings Limited

億和精密工業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 838)

Executive Directors:

Zhang Hwo Jie (*Chairman*)

Zhang Jian Hua (*Vice Chairman*)

Zhang Yaohua (*Chief Executive Officer*)

Independent Non-executive Directors:

Choy Tak Ho

Leung Tai Chiu

Lam Hiu Lo

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal place of business in

Hong Kong:

Unit 8, 6th Floor

Greenfield Tower

Concordia Plaza

No. 1 Science Museum Road

Kowloon

Hong Kong

20 April 2015

*To the Shareholders and, for information only,
holders of Options*

Dear Sir or Madam,

PROPOSALS FOR
(1) RE-ELECTION OF RETIRING DIRECTORS AND
CONTINUOUS APPOINTMENT OF INDEPENDENT NON-EXECUTIVE
DIRECTOR WHO HAS SERVED NEARLY NINE YEARS
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
(3) ADOPTION OF NEW SHARE OPTION SCHEME

INTRODUCTION

The purpose of this document is to provide you with information regarding the resolutions to be proposed at the AGM involving (1) the re-election of retiring Directors and the continuous appointment of Mr. Leung Tai Chiu who has served the Company nearly nine years as an independent non-executive Director; (2) the grant to the Directors of general mandates to allot, issue and deal with additional Shares and to repurchase Shares; and (3) the adoption of the New Share Option Scheme.

LETTER FROM THE CHAIRMAN

(1) RE-ELECTION OF RETIRING DIRECTORS AND CONTINUOUS APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR WHO HAS SERVED NEARLY NINE YEARS

In accordance with article no. 87 of the Articles, Mr. Leung Tai Chiu and Mr. Lam Hiu Lo will retire by rotation at the AGM and, being eligible, have offered themselves for re-election.

The qualifications, previous experience and major appointments of all the Directors who stand for re-election at the AGM are set out in the “Directors and Senior Management Profile” section contained in the 2014 Annual Report which is sent to the Shareholders together with this document. The biographical details of each of the said Directors, as required to be disclosed pursuant to rule 13.51(2) of the Listing Rules, are set out below for the Shareholders’ consideration.

According to code provision A.4.3 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, if an independent non-executive director serves more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by the shareholders.

1. Mr. Leung Tai Chiu (aged 69)

Mr. Leung Tai Chiu was appointed as an independent non-executive Director on 5 June 2006. He is the chairman of the audit committee of the Company. Mr. Leung does not hold any other position with the Company or any member of the Group or have any relationship with any other Directors, senior management or substantial or controlling Shareholders.

Mr. Leung is a Fellow of the Institute of Chartered Accountants in England and Wales. He obtained his professional qualification in the United Kingdom in 1975 and has worked in the auditing profession for over 30 years, 20 years of which as a partner. Mr. Leung retired from PricewaterhouseCoopers effective from 1 May 2005. Mr. Leung is a Fellow of The Hong Kong Institute of Directors. As at the Latest Practicable Date, Mr. Leung has served as an independent non-executive director of Kingboard Laminates Holdings Limited and G-Vision International (Holdings) Limited, both of which are listed on the Stock Exchange. Save as disclosed, Mr. Leung did not hold any directorship in other listed companies in the last three years.

As at the Latest Practicable Date, Mr. Leung had personal interests (within the meaning of Part XV of the SFO) in 4,600,000 Shares and Options to subscribe for 300,000 Shares.

Mr. Leung has entered into a service agreement with the Company for a term of two years commencing on 5 June 2014 which can be terminated by either party giving to the other party not less than one month’s prior written notice. Mr. Leung is subject to retirement by rotation and re-election at the annual general meeting of the Company under the Articles. Mr. Leung is entitled under his service agreement to receive an annual director’s fee of currently \$160,000.

Mr. Leung has acted as an independent non-executive Director for nearly nine years. The Company has received from Mr. Leung a confirmation of his independence according to rule 3.13 of the Listing Rules. Throughout his directorship with the Company, Mr. Leung has participated in

LETTER FROM THE CHAIRMAN

Board meetings to offer impartial advice and exercise independent judgement, served on governance committees of the Board to scrutinise the Company's performance in meeting governance goals, and attended general meetings of the Company to gain a balanced understanding of the Shareholders' views, but has never engaged in any executive management of the Group. Taking into consideration the independent nature of his role and duties in the past years, the Board considers Mr. Leung to be independent under the Listing Rules despite that he has served the Company nearly nine years. The Board believes that the continuous appointment of Mr. Leung as an independent non-executive Director will help to maintain the stability of the Board as Mr. Leung has, over time, gained valuable insight into the business strategy and policies of the Group.

2. Mr. Lam Hiu Lo (aged 53)

Mr. Lam Hiu Lo was appointed as an independent non-executive Director on 11 January 2013. He is also a member of the Company's audit committee, nomination committee and remuneration committee. Mr. Lam does not hold any other position with the Company or any member of the Group or have any relationship with any other Directors, senior management or substantial or controlling Shareholders.

Mr. Lam has over 25 years of experience in sales and marketing in China. Over the years, he has successfully built up a strong business and personal network in China. Mr. Lam is currently an executive director of Yugang International Limited. He was an executive director of C C Land Holdings Limited from November 2000 to July 2012 and was an executive director of Qualipak International Holdings Limited from May 2012 to November 2014. All three of these companies are listed on the Stock Exchange. Save as disclosed, Mr. Lam did not hold any directorship in other listed companies in the last three years.

As at the Latest Practicable Date, Mr. Lam had personal interests (within the meaning of Part XV of the SFO) in Options to subscribe for 300,000 Shares.

Mr. Lam has entered into a service agreement with the Company for a period of two years commencing from 11 January 2015 which can be terminated by either party giving to the other party not less than one month's prior written notice. Mr. Lam is subject to retirement by rotation and re-election at the annual general meeting of the Company under the Articles. Mr. Lam is entitled under his service agreement to receive an annual director's fee of currently \$160,000.

The emoluments of all Directors are determined on the basis of the relevant Director's experience, level of responsibilities within the Group and the current market situation.

Save for the information set out in this section and in the 2014 Annual Report, there is no other matter that needs to be brought to the attention of the Shareholders or any information that should be disclosed under paragraphs (h) to (v) of rule 13.51(2) of the Listing Rules.

LETTER FROM THE CHAIRMAN

(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

As the general mandates granted to the Directors to allot, issue, and deal with additional Shares and repurchase Shares respectively pursuant to resolutions passed by the Shareholders at the Company's annual general meeting held on 21 May 2014 will lapse at the conclusion of the AGM, resolutions will be proposed at the AGM to renew the grant of these general mandates. The relevant resolutions, in summary, are:

- an ordinary resolution to grant to the Directors a general and unconditional mandate to allot, issue, and deal with additional securities of the Company (including, inter alia, offers, agreements, options, warrants or similar rights in respect thereof) not exceeding 20% of the aggregate number of the Company's issued Shares as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Issue Mandate"). On the basis of 1,853,457,800 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased by the Company on or before the date of the AGM, the Company would be allowed under the Issue Mandate to issue a maximum of 370,691,560 Shares;
- an ordinary resolution to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to repurchase such number of Shares not exceeding 10% of the aggregate number of the Company's issued Shares as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "Repurchase Mandate"). On the basis of 1,853,457,800 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased by the Company on or before the date of the AGM, the exercise of the Repurchase Mandate in full would result in up to 185,345,780 Shares being repurchased by the Company; and
- conditional on the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution to authorise the Directors to exercise the powers of the Company to allot, issue, and deal with additional securities under the Issue Mandate by adding those Shares repurchased by the Company pursuant to the Repurchase Mandate.

The explanatory statement providing the requisite information regarding the Repurchase Mandate as required to be sent to Shareholders under the Listing Rules is set out in Appendix I to this document.

(3) ADOPTION OF THE NEW SHARE OPTION SCHEME

The Expired Share Option Scheme

The Expired Share Option Scheme was adopted by the Company on 20 April 2005. Under the terms of the Expired Share Option Scheme, unless otherwise terminated, the Expired Share Option Scheme would be valid and effective for a period of 10 years from the date of its adoption. Accordingly, the Expired Share Option Scheme expired on 19 April 2015. Apart from the Expired Share Option Scheme, the Company had no other subsisting share option scheme as at the Latest Practicable Date. Up to the Latest Practicable Date, the total number of Options granted, exercised,

LETTER FROM THE CHAIRMAN

cancelled/lapsed under the Expired Share Option Scheme amounted to 414,200,000 Shares, 311,669,800 Shares and 38,260,000 Shares respectively. As at the Latest Practicable Date, there were in aggregate 64,270,200 Options outstanding which will continue to be valid and exercisable during the prescribed exercisable period in accordance with the rules of the Expired Share Option Scheme after the Expired Share Option Scheme has expired.

Proposed adoption of the New Share Option Scheme

As the Expired Share Option Scheme expired on 19 April 2015, the Board proposes to adopt the New Share Option Scheme to replace the Expired Share Option Scheme to provide the Eligible Participants with an opportunity to obtain an equity interest in the Company, thus linking their interest with the interests of the Group and thereby providing them with an incentive to work better for the interests of the Group by granting Options to them.

In furtherance of this objective, certain changes from the terms of the Expired Share Option Scheme are proposed for the New Share Option Scheme. The major changes are:

- (i) expand the scope of Eligible Participants under the New Share Option Scheme to include Business Associates.
- (ii) provide a grace period of six (6) months for the exercise of Options where an option holder ceases to be an Eligible Participant during any relevant option period by reason of ill health, injury, disability or because his employing company ceases to be a member of the Group.
- (iii) shorten the period of issue of shares from thirty (30) days to fourteen (14) days upon exercise of an Option.

The New Share Option Scheme will be put to the Shareholders for approval at the AGM and it will be valid for 10 years from the date of its adoption. A summary of the principal terms of the New Share Option Scheme is set out in Appendix II to this document. A copy of the rules of the New Share Option Scheme is available for inspection at the principal place of business of the Company in Hong Kong at Unit 8, 6th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong during normal business hours for a 14-day period immediately preceding the AGM.

The coming into effect of the New Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution at the AGM approving the adoption of the New Share Option Scheme, and authorising the Directors to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Option under the New Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any new Shares which may fall to be allotted and issued by the Company upon the exercise of the Options that may be granted under the New Share Option Scheme.

LETTER FROM THE CHAIRMAN

As at the Latest Practicable Date, there were 1,853,457,800 Shares in issue. Assuming that there is no further allotment of Shares from the Latest Practicable Date up to the date of approval of the New Share Option Scheme, Options to subscribe for up to 185,345,780 Shares may be issued under the New Share Option Scheme and any other schemes of the Company pursuant to rule 17.03(3) of the Listing Rules, representing 10% of Shares in issue as at the date of approval of the New Share Option Scheme.

The Company does not at present intend to appoint a trustee to the New Share Option Scheme for the purpose of administering the New Share Option Scheme. The New Share Option Scheme will be subject to the administration of the Board. None of the Directors is or will be a trustee of the New Share Option Scheme or has a direct or indirect interest in any such trustee.

To the extent that the Directors are aware having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the resolution in relation to the New Share Option Scheme at the AGM.

Value of the Options

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are critical for the calculation of the value of such Options cannot be determined. These variables include, but are not limited to, the subscription price payable for the Shares upon the exercise of subscription rights attaching to the Options, whether or not Options will be granted under the New Share Option Scheme, the timing of the granting of such Options, the period during which the subscription rights may be exercised, and any other conditions, restrictions or limitations that the Board may impose with respect to the Options and whether or not such Options, if granted, will be exercised. The subscription price payable for the Shares depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant Options under the New Share Option Scheme. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not Options will be granted under the New Share Option Scheme and, if so, the number of Options that may be granted. It is also difficult to ascertain with accuracy the subscription price of the Shares given the volatility to which the price of the Shares may be subject to during the ten-year life span of the New Share Option Scheme. The Directors are of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical bases and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options would not be meaningful to the Shareholders in the circumstances.

Application for listing

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the Options that may be granted under the New Share Option Scheme up to 10% of the Shares in issue as at the date of approval of the New Share Option Scheme.

LETTER FROM THE CHAIRMAN

Reasons for adopting the New Share Option Scheme

Since the grant of any Option is a long term event, the Board considers it is appropriate to adopt the New Share Option Scheme to replace the Expired Share Option Scheme. Given the Board is entitled, subject to the terms of the New Share Option Scheme, at its absolute discretion to impose any conditions, restrictions or limitations including any performance target which must be achieved before an Option can be exercised as it may think fit when making an Offer, and that the exercise price of an Option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantee of an Option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the Options granted. The Board considers that the New Share Option Scheme will motivate the Eligible Participants to optimise their performance efficiency for the benefit of the Group and attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long term growth of the Group. The Eligible Participants will share common interests and objectives of the Group upon their exercise of the Options and the New Share Option Scheme will provide the Group with a platform to reward and provide incentive to the Eligible Participants and encourage the Eligible Participants to work towards enhancing the value of the Group. As such, the Directors consider that the adoption of the New Share Option Scheme is in the interests of the Company and its Shareholders as a whole.

(4) AGM AND POLL PROCEDURES

The notice convening the AGM is set out in Appendix III to this document. At the AGM, amongst others, ordinary resolutions will be proposed to approve (i) the re-election of the retiring Directors and the continuous appointment of Mr. Leung Tai Chiu who has served the Company nearly nine years as an independent non-executive Director; (ii) the granting of the Issue Mandate and the Repurchase Mandate; and (iii) the adoption of the New Share Option Scheme.

A form of proxy for use at the AGM is enclosed with this document. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at Unit 8, 6th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

Pursuant to rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll. Accordingly, the resolutions to be proposed at the AGM will be voted by way of a poll by the Shareholders.

LETTER FROM THE CHAIRMAN

(5) RECOMMENDATION

The Directors consider that the proposed resolutions regarding the re-election of the retiring Directors and the continuous appointment of the independent non-executive Director who has served nearly nine years, the granting of the Issue Mandate and the Repurchase Mandate and the adoption of the New Share Option Scheme are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the proposed resolutions.

Yours faithfully,
Zhang Hwo Jie
Chairman

This is the explanatory statement required by rule 10.06(1)(b) of the Listing Rules to be given to all Shareholders relating to a resolution to be proposed at the AGM authorising the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

Exercise in full of the Repurchase Mandate, on the basis of 1,853,457,800 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the date of the AGM, could result in up to 185,345,780 Shares being repurchased by the Company during the period from the passing of the resolution relating to the Repurchase Mandate up to the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. 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.

3. FUNDING OF REPURCHASES

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

4. GENERAL

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts as contained in the 2014 Annual Report) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. DIRECTORS AND CONNECTED PERSONS

As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, none of the Directors and their respective close associates has a present intention, in the event that the Repurchase Mandate is approved and exercised, to sell Shares to the Company. No core connected persons have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved and exercised.

6. UNDERTAKING

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 memorandum of association of the Company and the Articles and the applicable laws of the Cayman Islands.

7. THE HONG KONG CODE ON TAKEOVERS AND MERGERS

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 purposes of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code. A waiver of this provision would not normally be given except in extraordinary circumstances. As at the Latest Practicable Date, approximately 36.24% of the issued share capital of the Company was held by Prosper Empire Limited which is wholly-owned by Mr. Zhang Hwo Jie, the chairman of the Company, and his brothers, Mr. Zhang Jian Hua and Mr. Zhang Yaohua who are both executive Directors. In addition, Mr. Zhang Hwo Jie, Mr. Zhang Jian Hua and Mr. Zhang Yaohua had or were taken or deemed to have an aggregate interest of approximately 1.74% of the issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted at the AGM and assuming no further Shares are issued by the Company, the interest of Prosper Empire Limited in the issued share capital of the Company would be increased from 36.24% to 40.27% thereby triggering an obligation to make a mandatory offer under rule 26 of the Takeover Code. The Directors, however, have no present intention of exercising the Repurchase Mandate to such extent as would result in any mandatory offer.

The Directors are not aware of any Shareholder, or group of Shareholders acting in concert, who will become obliged to make a mandatory offer as a result of repurchases of Shares.

8. SHARE REPURCHASES MADE BY THE COMPANY

During the six months immediately preceding the Latest Practicable Date, the Company has not repurchased any Shares (whether on the Stock Exchange or otherwise).

9. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Highest	Lowest
	(\$)	(\$)
April 2014	1.3800	1.2000
May 2014	1.5600	1.2900
June 2014	1.8500	1.5400
July 2014	1.9200	1.6900
August 2014	1.9900	1.7100
September 2014	2.1400	1.7200
October 2014	2.1000	1.7700
November 2014	2.1200	1.9200
December 2014	2.0700	1.6900
January 2015	2.0900	1.7500
February 2015	2.0700	1.8200
March 2015	2.5200	1.9600
April 2015 (<i>up to the Latest Practicable Date</i>)	2.5600	2.3100

Set out below is a summary of the principal terms of the New Share Option Scheme.

1. PURPOSE

The purpose of the New Share Option Scheme is to provide the Eligible Participants with an opportunity to obtain an equity interest in the Company, thus linking their interest with the interests of the Group and thereby providing them with an incentive to work better for the interests of the Group by granting Options to them as incentives or rewards.

2. WHO MAY JOIN

The Board may at any time within the period of ten years after the adoption of the New Share Option Scheme at its absolute discretion (subject to any conditions, restrictions or limitations as it may think fit) offer to grant Options to subscribe for such number of Shares as the Board may determine at an option price determined in accordance with paragraph 3 below to the following Eligible Participants:

Employees of the Group (whether full-time or part-time), directors (including executive directors, non-executive directors and independent non-executive directors) of the Group, substantial shareholders of each member of the Group, associates of directors or substantial shareholders of the Group, the trustees of any trust pre-approved by the Board the beneficiaries (or in case of discretionary trust, the discretionary objects) of which include any of the above-mentioned persons and Business Associates.

The Board may at its absolute discretion impose the terms on which the Option is to be granted (including any performance target if required to be achieved before an Option can be exercised).

3. SUBSCRIPTION PRICE

The subscription price of a Share payable on the exercise of any particular Option granted under the New Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price shall at least be the highest of:

- (i) the nominal value of the Shares;
- (ii) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of Offer, which shall be a trading day; and
- (iii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of Offer;

or (where applicable) such price as from time to time adjusted pursuant to the New Share Option Scheme and as referred to in paragraph 16 below.

4. ACCEPTANCE OF OFFER

Any Offer may be accepted, in whole or in part, in a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and in writing received by any of the Directors or the secretary of the Company until 5:00 p.m. on the date specified in the letter of Offer provided that no such Offer shall be open for acceptance after the expiry of ten years after the adoption of the New Share Option Scheme or after the New Share Option Scheme has been terminated in accordance with the rules thereof.

The Offer shall be deemed to have been accepted and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the letter of Offer comprising acceptance of the Offer duly signed by the option holder with the number of Shares in respect of which the Offer is accepted clearly stated therein together with payment of \$1.00 by way of consideration for the grant thereof is received by the Company within twenty-one (21) days from the date of Offer or within such other period of time as may be determined by the Board pursuant to the Listing Rules. Such payment shall in no circumstances be refundable nor deemed to be part of the subscription price.

5. MAXIMUM NUMBER OF SHARES FOR WHICH OPTIONS MAY BE GRANTED

The total number of the Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the total number of Shares in issue as at the date of the adoption of the New Share Option Scheme by the Shareholders ("Limit"). Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Limit.

Subject to the approval of the Shareholders in general meeting, the Company may refresh the Limit provided that:

- (i) the Limit as refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed Limit;
- (ii) the Options previously granted (including those outstanding, cancelled, lapsed in accordance with the provisions of the New Share Option Scheme or exercised Options) will not be counted for the purpose of calculating the Limit as refreshed; and
- (iii) a circular containing the information and the disclaimer respectively required under rule 17.02(2)(d) and rule 17.02(4) of the Listing Rules shall be despatched to the Shareholders together with the notice of the relevant general meeting.

The Company may also with the approval of Shareholders in general meeting grant Options beyond the Limit or the refreshed Limit (as the case may be) provided that the Options in excess of the Limit or the refreshed Limit (as the case may be) are granted only to Eligible Participants specifically identified by the Company before such approval is sought and provided further that a circular containing a generic description of the specified Eligible Participants who may be granted such Options, the number and terms of the Options to be granted, the purpose of granting Options to the specified Eligible Participants and how the terms of the

Options serve such purpose, the information and the disclaimer respectively required under rule 17.02(2)(d) and rule 17.02(4) of the Listing Rules shall be despatched to the Shareholders together with the notice of the relevant general meeting.

The total number of Shares which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other schemes of the Group shall not exceed 30% of the Shares in issue from time to time. No Offer may be made under the New Share Option Scheme if this will result in the aforementioned limit being exceeded.

6. MAXIMUM NUMBER OF OPTIONS TO EACH ELIGIBLE PARTICIPANT

The total number of Shares issued and to be issued upon the exercise of Options granted and to be granted to each Eligible Participant (including both exercised and outstanding Options) in any period of twelve (12) consecutive months up to and including the date of grant shall not exceed 1% of the Shares in issue as at the date of grant.

Any grant of further Options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by the Company containing the identity of the Eligible Participant involved, the number and terms of the Options granted and to be granted and the information and the disclaimer respectively required under rule 17.02(2)(d) and rule 17.02(4) of the Listing Rules and shall be despatched to the Shareholders together with the notice of the relevant general meeting; and
- (ii) the approval of the Shareholders in general meeting with such Eligible Participant and his associates abstaining from voting.

The number and terms (including the option price) of Options to be granted to such Eligible Participant shall be fixed before the general meeting and the date of the Board meeting at which the Board proposes to grant the Options to such Eligible Participant should be taken as the date of grant of the Options for the purpose of calculating the offer price of the Shares.

7. GRANT OF OPTIONS TO CONNECTED PERSONS

Any grant of Options to a Director, chief executive or substantial Shareholder of the Company or any of their respective associates, must be approved by all independent non-executive Directors (excluding any independent non-executive Director who is proposed to be an option holder).

If the Company proposes to grant Options to a substantial Shareholder of the Company or an independent non-executive Director or any of their respective associates which will result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the period of twelve (12) consecutive months up to and including the date of grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and

- (ii) having an aggregate value, based on the closing price of the Shares at the date of grant, in excess of \$5 million.

such further grant of Options must be subject to the issue of a circular by the Company together with the notice of the relevant general meeting and the approval of the Shareholders in general meeting at which the grantee, his associates and all core connected persons of the Company shall be required to abstain from voting in favour of the relevant resolution at such general meeting except that any such persons may vote against the relevant resolution at the general meeting provided that his intention to vote against the proposed grant has been stated in the Shareholders' circular.

8. RESTRICTIONS ON THE TIMES OF GRANT OF OPTIONS

No Offer shall be made after any inside information has come to the knowledge of the Company until an announcement of such information has been published in accordance with the requirements of the Listing Rules. In particular, the Company shall not make an Offer during the period commencing one month immediately preceding the earlier of:

- (i) the date of the meeting of the Board (as such date is first notified to the Stock Exchange under 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
- (ii) the deadline for publishing of an announcement of the Company's 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 announcement.

9. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the option holder and shall not be transferable or assignable. No option holder shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any other person over or in relation to any Option, except for the transmission of an Option on the death of the option holder to his personal representative(s) on terms of the New Share Option Scheme. Any breach of the foregoing shall entitle the Company to cancel the relevant grantee's outstanding Options in whole or in part without incurring any liability on the part of the Company.

10. EXERCISE PERIOD AND DURATION OF THE SHARE OPTION SCHEME

Subject to the rules of the New Share Option Scheme, Options may be exercised by an Eligible Participant (or in the case of his death, his personal representative(s), in whole or in part, at any time during the period commencing from the date of grant and ending on such date as the Board may determine in granting the Option but in any event not exceeding ten (10) years from the date of grant. Subject to earlier termination by the Company in general meeting, the New Share Option Scheme shall be valid and effective

for a period commencing from 21 May 2015 and expiring at 5:00 p.m. on the trading day preceding the tenth anniversary of such date, after which no further Options may be granted but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect.

11. RIGHTS OF EXERCISE FOR OPTION HOLDERS

An Eligible Participant to whom any Option is granted is required to satisfy all the conditions (including any performance target if required to be achieved) imposed by the Board before he may exercise any of his Options.

No Director shall deal in any securities of the Company unless he fully complies with the provisions of the Model Code for Securities Transactions by Director of Listed Issuers of the Listing Rules from time to time.

In the event that an option holder ceases to be an Eligible Participant under the New Share Option Scheme during any relevant option period:

- (i) by reason of ill health, injury, disability (all evidenced to the satisfaction of the Directors), or because his employing company ceases to be a member of the Group, then any outstanding Offer to him shall lapse and he may exercise all his Options within a period of six (6) months of such ill-health, injury, disability or cessation, failing which such Options shall lapse and terminate at the end of the relevant period;
- (ii) by reason of death, then any outstanding Offer to him shall lapse and his personal representative(s) may exercise all his Options within a period of twelve (12) months from the date of death, failing which such Options shall lapse and terminate at the end of the relevant period;
- (iii) by reason of retirement in accordance with his contract of employment or upon expiration of his contract of employment or term of directorship, then any outstanding Offer to him shall lapse and he may exercise all his Options within six (6) months after he so retires or expiration of his contract of employment or term of directorship, failing which such Options shall lapse and terminate at the end of the relevant period;
- (iv) by reason of voluntary resignation other than by reason of the circumstances set out above or by termination of his employment in accordance with the termination provisions of his contract of employment by his employing company before exercising his Options in full, such Options and any outstanding Offer to him shall lapse and terminate on the date of the resignation or termination;
- (v) by reason of his ceasing to be or qualify as a Business Associate at the sole determination of the Board, then any outstanding Offer to him shall lapse and all his Options shall lapse and terminate on the date of such cessation as notified in writing by the Board to him;

provided always that in each case the Board may in its absolute discretion decide that such Options shall not so lapse or terminate subject to such conditions or limitations as the Board may decide.

12. RIGHTS ON GENERAL OFFERS

If a general offer by way of takeover is made to all the Shareholders and the offeror shall have obtained control of the Company as a consequence, option holders shall, subject to paragraph 11 above, be entitled at any time within the period of one month after control has been obtained to exercise the Option in whole or in part (to the extent not already exercised), notwithstanding any restrictions in the terms of grant of the Option which would otherwise have prevented the Option from being exercised during such period. Any Option that has not been so exercised within the one-month period shall cease and terminate.

13. RIGHTS ON WINDING-UP

In the event that a notice is duly given of a general meeting at which a resolution will be proposed for the voluntary winding-up of the Company, every Option shall subject to paragraph 11 above be exercisable in whole or in part (but so that any exercise hereunder shall only be valid if, at the time of such resolution being passed, the Option shall not have ceased and terminated in accordance with any provisions of the New Share Option Scheme) at any time thereafter until such resolution is duly passed or defeated or the general meeting concluded or adjourned sine die, whichever shall first occur. If such resolution is duly passed, all Options shall, to the extent that they have not been exercised, thereupon cease and terminate and all outstanding Offers shall lapse.

14. RIGHTS ON COMPROMISE OR ARRANGEMENT BETWEEN THE COMPANY AND ITS MEMBERS OR CREDITORS

If a compromise or arrangement between the Company and the Shareholders or between the Company and its creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all option holders on the same date as it despatches the notice which is sent to each Shareholder or creditor of the Company summoning the meeting to consider the compromise or arrangement, and thereupon each option holder (or where permitted his personal representatives) shall forthwith and until the expiry of the period commencing with that date and ending with the earlier of the date two (2) calendar months thereafter or the date on which the compromise or arrangement is sanctioned by the court be entitled to conditional exercise of his Option in whole or in part on the basis that the exercise of an Option as aforesaid shall only become effective upon the compromise or arrangement being sanctioned by the court and becoming effective. Upon the compromise or arrangement becoming effective, all Options shall lapse except insofar as exercised under this paragraph and all outstanding Offers shall lapse. The Company may thereafter require each option holder to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the option holder in the same position as nearly as would have been the case had the Shares been subject to the compromise or arrangement.

15. RANKING OF SHARES ISSUED UPON EXERCISE OF OPTIONS

A Share to be allotted and issued upon the exercise of an Option shall not carry voting rights and shall not be entitled to dividend or other distribution until the registration of the option holder (or any other person nominated by the option holder) as the holder thereof. Subject to the aforesaid, Shares allotted and issued upon the exercise of an Option will rank pari passu in all respects with the Shares in issue on the date of the exercise, including in respect of those rights arising on a liquidation of the Company.

16. EFFECT ON REORGANISATION OF CAPITAL STRUCTURE

Upon any variation in the share capital of the Company arising from any reduction, sub-division or consolidation of share capital of the Company, any rights issue or the issue of any share capital of the Company by way of capitalisation of profits or reserves or in connection with an open offer to the Shareholders (each a “Relevant Event”), the number or nominal amount of Shares comprised in each Option and/or the option price thereunder may be adjusted in any manner as the Board (having received a statement in writing from the auditors or an approved independent financial adviser, acting as experts and not as arbitrators, that in their opinion the adjustments proposed satisfy the requirements set out in the note to rule 17.03(13) of the Listing Rules and/or the rules, requirements and guidelines issued by the Stock Exchange from time to time) may deem appropriate provided always that:

- (i) no increase shall be made in the aggregate subscription price relating to any Option;
- (ii) any adjustments should give an option holder the same proportion of the share capital of the Company as that to which he was previously entitled prior to such adjustments;
- (iii) no adjustments shall be made which will enable a Share to be issued at less than its nominal value; and
- (iv) where the Relevant Event arises from an issue of Shares, reference herein to Options shall include references to Options that have been exercised prior to the date of the adjustment in respect of Shares which otherwise do not rank and are not entitled to participate in the issue by reason of the option holder not having been then registered as the holder of the relevant Shares.

17. LAPSE OF OPTION

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the date of expiry of the Option as may be determined by the Board;
- (ii) the date on which the option holder commits a breach as referred to in paragraph 9 above;
- (iii) the expiry of the periods as referred to in paragraphs 11(i), (ii), (iii) or (iv) above;

- (iv) the occurrence of the event referred to in paragraph 11(v) above;
- (v) the expiry of the periods referred to in paragraph 12 above;
- (vi) the date an effective resolution being passed for the voluntary winding up of the Company as provided under paragraph 13 above; and
- (vii) subject to the compromise or arrangement being sanctioned by the court and becoming effective, the expiry of the period referred to in paragraph 14 above.

18. ALTERATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (i) any alteration to the advantage of the option holders (present or future) or the Eligible Participants (as the case may be) in respect of the matters contained in rule 17.03 of the Listing Rules; and
- (ii) any material alteration to the terms and conditions of the New Share Option Scheme or any change to the terms of Options granted

shall first be approved by the Shareholders in general meeting except where the proposed alteration takes effect automatically under the existing terms of the New Share Option Scheme. Any alteration to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme must be approved by Shareholders in general meeting.

Any term of the New Share Option Scheme as altered must comply with the Listing Rules.

19. CANCELLATION OF OPTIONS

Any unexercised Option may be cancelled if the relevant option holder so agrees. Issuance of new Options to the same option holder may only be made if there are unissued Options available under the New Share Option Scheme (excluding the cancelled Options) within the Limit (or the refreshed Limit as referred to in paragraph 5 above) and in compliance with the terms of the New Share Option Scheme.

20. TERMINATION OF THE NEW SHARE OPTION SCHEME

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 full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the rules of the New Share Option Scheme.

21. ADMINISTRATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall be subject to the administration of the Board whose decision in any disputes relating to an Option or matter relating to the New Share Option Scheme shall be final and binding on all parties.

22. CONDITIONS

The New Share Option Scheme is conditional upon the approval of the scheme and the listing of, and permission to deal in any Shares to be issued pursuant to the exercise of Options under the New Share Option Scheme, being granted by the Listing Committee of the Stock Exchange. If the aforesaid conditions are not fulfilled, then:

- (a) the New Share Option Scheme shall forthwith terminate;
- (b) any Option granted or agreed to be granted pursuant to the rules of the New Share Option Scheme and any Offer shall forthwith lapse and be of no effect; and
- (c) no person shall be entitled to any rights or benefits or be under any obligation under or in respect of the New Share Option Scheme, or any outstanding Offer or Option.



EVA Precision Industrial Holdings Limited
億和精密工業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 838)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of EVA Precision Industrial Holdings Limited (the “Company”) will be held at Room 636, 6th Floor, Kowloon Bay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong on Thursday, 21 May 2015 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors for the year ended 31 December 2014.
2. (A) To re-elect Mr. Leung Tai Chiu (who has served the Company nearly nine years) as an independent non-executive director;

(B) To re-elect Mr. Lam Hiu Lo as an independent non-executive director; and

(C) To authorise the Directors to fix the remuneration of the Directors for the year ending 31 December 2015.
3. To declare a final dividend for the year ended 31 December 2014.
4. To re-appoint auditors and to authorise the board of directors to fix their remuneration.
5. As special business to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:
 - 5.A. **“THAT:**
 - (a) subject to paragraph (c), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;

(c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to the shares of the Company issued as a result of a Rights Issue (as hereinafter defined) or pursuant to the exercise of options under the share option scheme of the Company or similar arrangement, or any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of the dividend on the shares of the Company in accordance with the Company's Articles of Association, shall not exceed 20 per cent. of the aggregate number of issued share(s) of the Company as at the date of passing 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 date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.

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

5.B. **“THAT:**

(a) subject to paragraph (b), the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock

Exchange (the "Listing Rules") or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval mentioned in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate number of the issued shares of the Company on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) the expression "Relevant Period" shall for the purposes of this resolution have the same meaning as assigned to it under ordinary resolution 5.A.(d) of this notice."

5.C. "THAT conditional upon resolutions 5.A. and 5.B. above being passed, the aggregate 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 5.B. above shall be added to the aggregate number of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution 5.A., provided that the number of shares repurchased by the Company shall not exceed 10 per cent. of the total number of the issued shares of the Company on the date of this resolution."

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

"THAT conditional upon the Stock Exchange granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular despatched to the shareholders of the Company on the same day as this notice, the terms of which are set out in the printed document marked "A" now produced to this meeting and for the purpose of identification signed by the Chairman of this meeting hereof (the "New Share Option Scheme"), the New Share Option Scheme be and is hereby approved and adopted to be the share option scheme of the Company and that the Directors be authorised:

- (a) to grant Options thereunder and to allot and issue Shares pursuant to the New Share Option Scheme;
- (b) to alter and/or modify the New Share Option Scheme from time to time provided that such alteration and/or modification is effected in accordance with the provisions of the New Share Option Scheme relating to the alteration and/or modification and subject to Chapter 17 of the Listing Rules;
- (c) to allot and issue from time to time such number of shares of the Company as may be required to be allotted and issued pursuant to the exercise of options granted under the New Share Option Scheme and subject to the Listing Rules; and

- (d) to take all such steps as may be necessary or desirable to implement the New Share Option Scheme.”

By order of the Board
Wong Hoi Chu, Francis
Secretary

Hong Kong, 20 April 2015

Principal office:

Unit 8, 6th Floor
Greenfield Tower
Concordia Plaza
No. 1 Science Museum Road
Kowloon
Hong Kong

Notes:

1. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, the instrument appointing a proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or other authority, must be deposited at the principal office of the Company at Unit 8, 6th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the said meeting or adjourned meeting.
3. The register of members of the Company will be closed from Tuesday, 19 May 2015 to Thursday, 21 May 2015, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the meeting, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 18 May 2015.
4. The register of members of the Company will be closed from Thursday, 28 May 2015 to Friday, 29 May 2015, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the entitlement to the final dividend to be approved at the meeting, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 27 May 2015.
5. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.