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

If you have sold or transferred all your shares in Tse Sui Luen Jewellery (International) Limited, you should at once hand this circular and the accompanying 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.

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TSE SUI LUEN JEWELLERY (INTERNATIONAL) LIMITED

謝瑞麟珠寶(國際)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 417)

**ADOPTION OF THE NEW SHARE OPTION SCHEME,
GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “AGM”) of Tse Sui Luen Jewellery (International) Limited (the “Company”) to be held at Second Floor, Block B, Summit Building, 30 Man Yue Street, Hunghom, Kowloon, Hong Kong on Thursday, 21 July 2016 at 10:30 a.m. (Hong Kong time) is set out on pages 21 to 25 of this circular. A form of proxy for use at the AGM is also enclosed.

Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to our branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the AGM if they so wish.

Hong Kong, 21 June 2016

* For identification purpose only

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DEFINITIONS

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

“Adoption Date”	the date on which the New Share Option Scheme is conditionally adopted by an ordinary resolution of the Shareholders
“AGM Notice”	the notice dated 21 June 2016 convening the Annual General Meeting as set out on pages 21 to 25 of this circular
“AGM”	the annual general meeting of the Company to be held at Second Floor, Block B, Summit Building, 30 Man Yue Street, Hunghom, Kowloon, Hong Kong on Thursday, 21 July 2016 at 10:30 a.m. (Hong Kong time)
“Associate(s)”	has the meaning as ascribed thereto under the Listing Rules
“Board”	the board of Directors of the Company
“Business Day”	a day (other than Saturday and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business
“Bye-law(s)”	the bye-law(s) of the Company, as amended, supplemented or modified from time to time
“Companies Ordinance”	Companies Ordinance, Chapter 622 of the Laws of Hong Kong
“Company”	Tse Sui Luen Jewellery (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Connected Person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Court”	has the meaning as ascribed thereto in the Companies Ordinance
“Director(s)”	the director(s) of the Company
“Eligible Employee(s)”	employee(s) (whether full time or part time employee(s), including any director or executive director but not any non-executive director) of the Company, its Subsidiaries or any Invested Entity
“Eligible Grantees”	persons who are eligible to accept the offer of the grant of an Option in accordance with the 2003 Share Option Scheme
“2003 Share Option Scheme”	the share option scheme of the Company which was adopted by the Company on 26 November 2003
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which the Group holds any equity interest
“Issue Mandate”	the general mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of shares of the Company in issue as at the date of passing of the resolutions approving such mandate
“Latest Practicable Date”	13 June 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which is set out in Appendix I
“Offer”	the offer of the grant of an Option made in accordance with the New Share Option Scheme
“Offer Date”	the date on which the Board passes a resolution approving the making of an Offer to any Participant
“Option(s)”	option(s) to subscribe for Shares granted to the Eligible Grantees under the 2003 Share Option Scheme or to the Participants under the New Share Option Scheme, as the context requires
“Option Period”	in respect of any particular Option, such period as the Board may in its absolute discretion determine and notify to each grantee, save that such period shall not be more than ten (10) years from the Offer Date subject to the provisions for early termination set out in the New Share Option Scheme and that the Board may at its discretion determine the minimum period for which the Option has to be held before the exercise of the subscription right attaching thereto
“Participant(s)”	any person belonging to any of the following classes of persons: <ul style="list-style-type: none">(a) any Eligible Employee;(b) any non-executive director (including independent non-executive directors) of the Company, any of its Subsidiaries or any Invested Entity;(c) any supplier of goods or services to any member of the Group or any Invested Entity;(d) any customer of the Group or any Invested Entity;(e) any person or entity that provides research, development or technological support or other services to the Group or any Invested Entity;

DEFINITIONS

	(f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
	(g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and
	(h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business and/or financial arrangement to the development and growth of the Group
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase Shares not exceeding 10% of the aggregate number of shares of the Company in issue as at the date of passing of the resolution approving such mandate
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.25 each in the share capital of the Company which are listed on the Stock Exchange
“Shareholder(s)”	the registered holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per Share at which a grantee may subscribe for Shares on the exercise of an Option as described in the provisions of the New Share Option Scheme, subject to adjustment in accordance with the New Share Option Scheme
“Subsidiary”	a company which is for the time being subsidiary (within the meaning of Section 15 of the Companies Ordinance or section 86 of the Companies Act as modified from time to time) of the Company, whether incorporated in Hong Kong or elsewhere
“Substantial Shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Trading Day(s)”	day(s) on which the Stock Exchange is open for the trading of securities
“%”	percent

LETTER FROM THE BOARD



TSE SUI LUEN JEWELLERY (INTERNATIONAL) LIMITED

謝瑞麟珠寶(國際)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 417)

Executive Directors:

Ms. Yau On Yee, Annie

(Chairman and Chief Executive Officer)

Ms. Ng Yi Kum, Estella

(Deputy Chairman, Chief Strategy Officer &

Chief Financial Officer and Company Secretary)

Non-executive Directors:

Mr. Erwin Steve Huang *(Deputy Chairman)*

Mr. Wang Guosheng

Independent Non-executive Directors:

Mr. Chui Chi Yun, Robert

Mr. Chan Yue Kwong, Michael

Mr. Chow Chee Wai, Christopher

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal place of business in

Hong Kong:

Ground Floor, Block B

Summit Building

30 Man Yue Street

Hunghom, Kowloon

Hong Kong

Hong Kong, 21 June 2016

To the Shareholders

Dear Sir or Madam,

**ADOPTION OF THE NEW SHARE OPTION SCHEME,
GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM for the approval of, among other things, (i) adoption of the New Share Option Scheme; (ii) granting of Issue Mandate and Repurchase Mandate; and (iii) re-election of retiring Directors and to provide you with AGM Notice.

* For identification purpose only

LETTER FROM THE BOARD

2. ADOPTION OF THE NEW SHARE OPTION SCHEME

The 2003 Share Option Scheme expired on 25 November 2013. Pursuant to the 2003 Share Option Scheme, Options to subscribe for an aggregate of up to 10% of the total number of Shares in issue on the date of adoption could be granted. Upon expiry of the 2003 Share Option Scheme, the Directors cannot grant any further Options pursuant to the 2003 Share Option Scheme. There is no other share option scheme of the Company apart from the 2003 Share Option Scheme. The Board considers that it is in the interest of the Company to adopt the New Share Option Scheme.

At the AGM, an ordinary resolution will be proposed for the Company to approve the adoption of the New Share Option Scheme pursuant to which the Participants may be granted Options subject to the terms and conditions stipulated in the New Share Option Scheme. 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 said resolution.

The terms of the New Share Option Scheme provide that in granting Options under the New Share Option Scheme, the Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance criteria to be satisfied before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion. The Board will also have discretion in determining the Subscription Price in respect of any Option. The Directors are of the view that the flexibility given to the Directors to impose the minimum period for which the Options have to be held, the performance targets and other conditions that have to be achieved before the Options can be exercised, will place the Group in a better position to attract and retain human resources that are valuable to the growth and development of the Group as a whole.

As at the Latest Practicable Date, there were 210,336,221 Shares in issue. Assuming that there is no change in the issued share capital of the Company during the period from the Latest Practicable Date up to the Adoption Date, the number of Shares in issue as at the Adoption Date will be 210,336,221 and therefore 21,033,622 Shares may fall to be allotted and issued under the New Share Option Scheme, representing 10% of the total number of Shares in issue as at the Adoption Date.

Subject to the obtaining of the Shareholders' approval in respect of the adoption of the New Share Option Scheme at the AGM, the total number of new Shares which may be issued upon the exercise of all the Options to be granted under the New Share Option Scheme and any other share option schemes of the Company (including but not limited to the 2003 Share Option Scheme) must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date unless the Company obtains a fresh approval from the Shareholders to renew the 10% limit on the basis that the maximum number of new Shares in respect of which Options may be granted under the New Share Option Scheme together with any Options outstanding and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company (including but not limited to the 2003 Share Option Scheme) must not exceed 30% of the total number of Shares in issue of the Company from time to time.

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 at the Latest Practicable Date given that the variables which are crucial for the calculation of the value of such Options have not been determined. Such variables include but are not limited to the Subscription Price, the exercise period and lock-up period (if any), and predetermined performance target (if any). The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to Shareholders.

LETTER FROM THE BOARD

The New Share Option Scheme is conditional upon:

- (i) the passing of the ordinary resolution by the Shareholders at the AGM approving the adoption of the New Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in any new Shares which may be issued pursuant to the exercise of Options under the New Share Option Scheme.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the new Shares which may fall to be allotted and issued by the Company pursuant to the exercise of Options granted under the New Share Option Scheme in accordance with the terms and conditions of the New Share Option Scheme.

A summary of the principal terms of the New Share Option Scheme, which is proposed to be approved and adopted by the Company at the AGM is set out in Appendix I to this circular. A copy of the New Share Option Scheme is available for inspection at the Company's principal place of business in Hong Kong at Ground Floor, Block B, Summit Building, 30 Man Yue Street, Hunghom, Kowloon, Hong Kong during normal business hours from the date hereof up to and including the date of AGM.

3. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the AGM, separate ordinary resolutions will be proposed to seek the approval of the Shareholders to grant to the Directors general and unconditional mandates to:

- (a) allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the resolution approving the Issue Mandate and authorising the addition, to the mandate to allot, issue and deal with further Shares, of such Shares (if any) repurchased by the Company pursuant to the Repurchase Mandate referred to the sub-paragraph (b) below; and
- (b) repurchase Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the resolution approving the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprises 210,336,221 Shares. On the basis that no further Shares will be issued or repurchased following the Latest Practicable Date and prior to the date of AGM, the Company will be allowed to issue a maximum of 42,067,244 Shares under the Issue Mandate, and to repurchase a maximum of 21,033,622 Shares under the Repurchase Mandate, representing not more than 20% and 10% of the total number of Shares in issue respectively as at the date of passing of such resolutions.

An explanatory statement as required under the Listing Rules to provide the requisite information on the Repurchase Mandate is set out in Appendix II hereto.

4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-law 86(2), and to comply with the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, Ms. Ng Yi Kum, Estella shall hold office only until the AGM and, being eligible, will offer herself for re-election as an executive Director for a term of three years at the AGM.

In accordance with Bye-law 87, and to comply with the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, Messrs. Chan Yue Kwong, Michael and Chow Chee Wai, Christopher will retire at the AGM. Each of them, being eligible, will offer himself for re-election as an independent non-executive Director for a term of three years.

The particulars of Ms. Ng Yi Kum, Estella, Messrs. Chan Yue Kwong, Michael and Chow Chee Wai, Christopher are set out in Appendix III hereto.

LETTER FROM THE BOARD

5. AGM AND PROXY ARRANGEMENT

A notice convening the AGM to be held at Second Floor, Block B, Summit Building, 30 Man Yue Street, Hunghom, Kowloon, Hong Kong on Thursday, 21 July 2016 at 10:30 a.m. (Hong Kong time) is set out on pages 21 to 25 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM (or any adjournment meeting as the case may be) in person, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in any event not less than 48 hours before the time appointed for holding the AGM (or any adjournment meeting as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM (or any adjournment meeting as the case may be) if you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the AGM will be taken by poll except purely on those procedural or administrative matters. The Chairman of the AGM will therefore demand a poll on each of the resolutions to be proposed at the AGM pursuant to Bye-law 66. The results of the poll will be published on the websites of the Stock Exchange and the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

6. 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.

7. RECOMMENDATION

The Directors consider that the proposed (i) adoption of the New Share Option Scheme; (ii) granting of Issue Mandate and Repurchase Mandate; and (iii) re-election of retiring Directors at the AGM are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend that the Shareholders vote in favour of the relevant resolutions set out in the AGM Notice.

Your faithfully,
By Order of the Board
Tse Sui Luen Jewellery (International) Limited
Yau On Yee, Annie
Chairman

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

1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to provide incentives or rewards to Participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any Invested Entity.

2. PARTICIPANTS

The Board may at any time and from time to time within the life of the New Share Option Scheme, offer to grant to any Participant as the Board may in its absolute discretion select, and subject to such conditions as the Board may think fit, an Option to subscribe for such number of Shares as the Board may think fit at the Subscription Price.

For the purposes of the New Share Option Scheme, Options may be granted to any company wholly owned by one or more persons belonging to any Participants or any discretionary object of a Participant which is a discretionary trust.

The basis of eligibility of any of the above classes of Participants to the grant of any Options shall be determined by the Directors from time to time on the basis of their contribution to the development and growth of the Group and the Invested Entity.

3. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (3.1) The maximum 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 total number 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.
- (3.2) 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 total number of Shares in issue on the Adoption Date (the “**General Scheme Limit**”). Options lapsed in accordance with the terms of the New Share Option Scheme or any other share option schemes of the Company will not be counted for the purpose of calculating the 10% limit under this sub-paragraph (3.2).
- (3.3) Subject to sub-paragraph (3.1) above and without prejudice to sub-paragraph (3.4) below, the Company may seek approval of the Shareholders in general meeting for refreshing the General Scheme Limit provided that 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 under the limit as “refreshed” must not exceed 10% of the Shares in issue as at the date of approval of such limit as “refreshed”. Options previously granted under the New Share Option Scheme or any other share option schemes of the Company (including Options outstanding, cancelled, lapsed or exercised in accordance with the terms of the New Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the limit as “refreshed”. For the purpose of seeking the approval of Shareholders under this paragraph, a circular containing the information as required under the Listing Rules must be sent to the Shareholders.

- (3.4) Subject to sub-paragraph (3.1) above and without prejudice to sub-paragraph (3.3) above, the Company may seek separate Shareholders' approval in general meeting for granting Options beyond the General Scheme Limit or, if applicable, the limit referred to in (3.3) above only to Participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of the specified Participants who may be granted such Options, the number and terms of the Options to be granted, the purpose of granting such Options to the specified Participants with an explanation as to how the terms of Options serve such purpose and the information as required under the Listing Rules.

4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the total number of Shares in issue. Where any further grant of Options to a Participant would result in the total number of Shares issued and to be issued upon exercise of all the Options granted and to be granted to such person (including exercised, cancelled and outstanding Options) in any 12-month period up to and including the date of such further grant representing in aggregate over 1% of the total number of Shares in issue, such further grant must be subject to the Shareholders' approval in general meeting of the Company with such Participant and his close associates (or his Associates if the Participant is a Connected Person) abstaining from voting. The Company must send a circular to the Shareholders and the circular must disclose the identity of the Participant, the number and terms of the Options to be granted and Options previously granted to such Participant and the information as required under the Listing Rules. The number and terms (including the Subscription Price) of the Options to be granted to such Participant must be fixed before Shareholders' approval and the date of the meeting of the Board for proposing such further grant of Option should be taken as the date of Offer for the purpose of calculating the Subscription Price.

5. GRANT OF OPTIONS TO CONNECTED PERSONS

- (5.1) Any grant of Options under the New Share Option Scheme to a Director, chief executive or Substantial Shareholder or any of their respective Associates must be approved by independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).
- (5.2) Where any grant of Options to a Substantial Shareholder or an independent non-executive Director, or any of their respective Associates, would 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 12-month period up to and including the date of such grant:
- (a) representing in aggregate over 0.1% of Shares in issue; and
 - (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000.

such further grant of Options must be approved by the Shareholders in a general meeting. The Company must send a circular to the Shareholders. Such grantee, his Associates and all core connected persons (having the meaning as ascribed thereto in the Listing Rules) of the Company must abstain from voting at such general meeting, except that any of the above may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the relevant circular.

Shareholders' approval as required under this sub-paragraph (5.2) is also required for any change in the terms of Options granted to a Participant who is a Substantial Shareholder or an independent non-executive Director, or any of their respective Associates.

6. TIME OF ACCEPTANCE AND EXERCISE OF AN OPTION

An Offer may be accepted by a Participant within twenty-eight (28) days from the Offer Date. A consideration of HK\$1.00 is payable on acceptance of the Offer. An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on the day on which the Offer is made but shall end in any event not later than ten (10) years from the Offer Date subject to the provisions for early termination thereof.

Unless the Directors otherwise determined and stated in the Offer to a Participant, there is no minimum period for which an Option granted under the New Share Option Scheme must be held before it can be exercised.

7. PERFORMANCE TARGETS

Unless the Board otherwise determined and stated in the Offer to a Participant, a Participant is not required to achieve any performance targets before any Option granted under the New Share Option Scheme can be exercised.

8. SUBSCRIPTION PRICE FOR SHARES

The Subscription Price in respect of any particular Option shall be such price as determined by the Board in its absolute discretion at the time of the making of the Offer (which shall be stated in the letter containing the Offer) but in any case the Subscription Price must be at least the higher of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Trading Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Trading Days immediately preceding the Offer Date; and (iii) the nominal value of a Share. Without prejudice to the generality of the foregoing, the Board may grant Options in respect of which the Subscription Price is fixed at different prices for different periods during the Option Period provided that the Subscription Price for each of the different periods shall not be less than the Subscription Price determined in the manner set out herein.

9. RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Bye-laws and the Companies Act 1981 of Bermuda (as amended) for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue as from the day when the name of the grantee is registered on the register of members of the Company and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date when the name of the grantee is registered on the register of members of the Company other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date when the name of the grantee is registered on the register of members of the Company, provided always that when the date of exercise of the Option falls on a day upon which the register of members of the Company is closed then the exercise of the Option shall become effective on the first Business Day on which the register of members of the Company is re-opened. A Share allotted upon the exercise of an Option shall not carry voting rights until the completion of the registration of the grantee as the holder thereof.

10. LIFE OF THE NEW SHARE OPTION SCHEME

Subject to paragraph 16, the New Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the date on which the New Share Option Scheme is conditionally adopted by the Company at a general meeting of the Shareholders.

11. TRANSFERABILITY OF OPTIONS

An Option is personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such grantee.

12. RIGHTS ATTACHING TO OPTIONS**(12.1) Rights on ceasing employment**

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than his or her death or termination of his or her employment on one or more of the grounds referred to in sub-paragraph (12.3), the grantee may exercise the Option up to his entitlement at the date of cessation in whole or in part (to the extent which has become exercisable and not already exercised) which date shall be the last actual working day with the Company or the relevant Subsidiary or the relevant Invested Entity whether salary is paid in lieu of notice or not, or such longer period following the date of cessation as the Board may determine.

(12.2) Rights on death

If the grantee of an Option ceases to be a Participant by reason of death (provided that none of the events which would be a ground for termination of his or her employment under sub-paragraph (12.3) below arises prior to his or her death), the legal personal representative(s) of this grantee shall be entitled within a period of twelve (12) months from the date of death (or such longer period as the Board may determine) to exercise the Option up to the entitlement of the grantee as at the date of death in whole or in part (to the extent which has become exercisable and not already exercised).

(12.3) Rights on dismissal

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason of the termination of his or her employment on any one or more of the grounds that he or she has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Company or the relevant Subsidiary or the relevant Invested Entity, his or her Option will lapse automatically on the date the grantee ceases to be an Eligible Employee.

(12.4) Rights on breach of contract

If the Directors at their absolute discretion determine that the grantee (other than an Eligible Employee) or his or her Associate has committed any breach of any contract entered into between the grantee or his or her Associate on the one part and the Group or any Invested Entity on the other part or that the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his or her creditors generally, the Directors shall determine that the outstanding Option granted to the grantee under the New Share Option Scheme shall lapse. In such event, his or her Option will lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

(12.5) Rights on a general offer

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional, a grantee shall be entitled to exercise his or her Option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in exercise of his or her Option at any time before the close of such offer (or any revised offer). Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes.

(12.6) Rights on winding-up

In the event a notice is given by the Company to the Shareholders to convene a general meeting for the purposes of considering and, if thought fit approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each Shareholder give notice thereof to all grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each grantee (or where permitted under subparagraph (12.2), his or her legal personal representative(s)) shall, subject to the provisions of all applicable laws, be entitled to exercise all or any of his or her Options (to the extent which has become exercisable and not already exercised) at any time no later than two (2) Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible, and in any event, not later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Share to the grantee credited as fully paid, which Shares shall rank pari passu with all other Shares in issue on the date prior to the passing of the resolution to wind-up the Company to participate in the distribution of the assets of the Company available in liquidation. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date of the commencement of the winding-up of the Company.

(12.7) Rights on compromise or arrangement between the Company and its creditors

In the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its Shareholders (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all grantees on the same day as it gives notice of the meeting to its Shareholders or creditors to consider such a scheme or arrangement, and thereupon any grantee (or his or her legal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date falling two (2) calendar months thereafter and the date on which such compromise or arrangement is sanctioned by the Court be entitled to exercise his or her Option (to the extent which has become exercisable and not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. The Company may thereafter require such grantee to transfer or otherwise deal with the Shares issued as a result of such exercise of his or her Option so as to place the grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date the proposed compromise or arrangement becomes effective.

13. LAPSE OF OPTION

An Option shall lapse automatically (to the extent not already exercised) on the earlier of:

- (a) the expiry of the Option Periods or dates referred to in paragraphs 6 and 12; and
- (b) the date on which a breach of the provision of restriction on transfer and assignment of an Option referred to in paragraph 11 is committed.

14. REORGANIZATION OF CAPITAL STRUCTURE

In the event of a capitalisation issue of profits or reserves, rights issue, consolidation, subdivision or reduction or similar reorganisation of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such corresponding adjustments (if any) shall be made in:

- (a) the number and/or nominal amount of Shares subject to the Options so far as unexercised; and/or
- (b) the Subscription Price; and/or
- (c) the method of exercise of the Option; and/or
- (d) the maximum number of Shares available for subscription by the Grantees referred to in paragraphs 3 and 4,

as an independent financial adviser or Auditors shall certify in writing to the Board to be in their opinion fair and reasonable, provided that any adjustments shall be made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such adjustments shall remain the same as that to which he was entitled before such adjustments and that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but so that no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value and no such adjustments will be required in circumstances where there is an issue of Shares or other securities of the Group as consideration in a transaction. In addition, in respect of any such adjustments as provided in this paragraph 14, other than any made on a capitalisation issue, an independent financial adviser or the Auditors must confirm in writing to the Directors that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

15. CANCELLATION OF OPTIONS

Any cancellation of Options granted but not exercised shall require approval of the Board. Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the New Share Option Scheme and the Listing Rules. Where the Company cancels Options and issues new ones to the same grantee, the issue of such new Options may only be made under a scheme with available unissued Options (excluding the cancelled Options) within the limit approved by Shareholders as mentioned in paragraph 3. For the avoidance of doubt, Options which have been exercised shall not be included as cancelled Options.

16. TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company may by resolution in general meeting at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but 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 (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

17. 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:

- (a) the provisions relating to the matters set out in rule 17.03 of the Listing Rules to the advantage of Participants;
- (b) any alteration to the terms and conditions of this Scheme which are of a material nature;
- (c) any change to the terms of Options granted; and
- (d) any change to the authority of the Board or New Share Option Scheme administrators in relation to any alteration to the terms of this Scheme,

must be approved by a resolution of the Shareholders in general meeting, except where such alterations take effect automatically under the existing terms of the Scheme, provided that:

- (i) the amended terms of the Scheme or the Options shall still comply with the requirements of Chapter 17 of the Listing Rules; and
- (ii) no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction in writing of such number of Grantees as shall together hold Options in respect of not less than three-fourths in nominal value of all Shares then subject to Options granted under the Scheme.

This Appendix II serves an explanatory statement, as required by the Listing Rules, to provide the Shareholders with requisite information for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the Repurchase Mandate.

1. SHARES IN ISSUE

As at the Latest Practicable Date, there are a total number of 210,336,221 Shares in issue.

Subject to the passing of the ordinary resolution in respect of the granting of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 21,033,622 Shares, representing 10% of the 210,336,221 Shares in issue as at the date of the AGM, during the period ending on the earliest of (i) the conclusion of the first annual general meeting, and (ii) the date upon which such authority given under the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Directors to repurchase Shares. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made in circumstances when the Directors believe that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the laws of Bermuda, and other applicable laws.

The Company is empowered by its memorandum of association and Bye-laws to repurchase its Shares. The laws of Bermuda provide that payment for share repurchase may only be made out of the capital paid up on the relevant shares, or funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of Shares made for such purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased. It is proposed that any repurchase of Shares pursuant to the Repurchase Mandate would be funded out of the capital paid up on the repurchased Shares, fund of the Company which would otherwise be available for dividend or distribution and, where appropriate, the Company's share premium account.

In addition, under the laws of the Bermuda, no repurchase of Shares may be effected if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the Company is, or after the repurchase would be, unable to pay its liabilities as they become due.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or the gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 29 February 2016) in the event that the Repurchase

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

5. SHARE PRICES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2015		
June	3.66	2.85
July	2.99	2.60
August	2.82	2.26
September	2.29	2.03
October	2.50	2.05
November	2.41	2.08
December	2.70	2.10
2016		
January	2.34	1.94
February	2.05	1.80
March	2.40	2.02
April	2.20	2.05
May	2.59	2.06
June (up to the Latest Practicable Date)	2.13	2.10

6. DIRECTORS' UNDERTAKING AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company, or has undertaken not to sell any Shares held by him/her to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

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

7. EFFECTS OF TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, 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 Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, 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.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Ms. Yau On Yee, Annie ("**Ms. Yau**"), an executive Director together with her Associates, Mr. Tse Tat Fung, Tommy ("**Mr. Tse**"), the spouse of Ms. Yau, and Partner Logistics Limited are deemed to be interested in 153,064,917 Shares, representing approximately 72.77% of the Shares issued by the Company. Partner Logistics Limited is owned and controlled by Blink Technology Limited, which is wholly and beneficially owned by Mr. Tse. Apart from the foregoing, each of Ms. Yau and Mr. Tse is interested in 1,210,000 Options.

In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, then (assuming the present shareholdings remain the same) the shareholding of Ms. Yau and her Associates would be increased to approximately 80.86% of the issued share capital of the Company.

Since Partner Logistics Limited is already interested in over 50% of the existing issued share capital of the Company, the Directors believe that such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code, but the number of Shares held in the hands of the public may fall below 25%, the minimum public float requirement pursuant to Rule 8.08 of the Listing Rules. At present, the Directors have no intention of exercising the power to repurchase Shares pursuant to the Share Repurchase Mandate to such extent as would result in the number of Shares held in the hands of the public below 25% of the Company's total number of issued Shares. The Company will comply with the public float requirement under the Listing Rules.

8. SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any Shares whether on the Stock Exchange or otherwise in the six months preceding the Latest Practicable Date.

This Appendix III contains the particulars (as required by the Listing Rules) of the retiring Directors proposed to be re-elected at the AGM.

EXECUTIVE DIRECTOR

Ms. Ng Yi Kum, Estella (“**Ms. Ng**”), aged 58, is an executive Director and the Deputy Chairman of the Company. She has also been appointed as the Chief Strategy Officer & Chief Financial Officer and Company Secretary of the Group with effect from 27 July 2015 and 1 August 2015 respectively. She is responsible for Group Finance and other administrative functions as well as defining corporate strategies of the Group. She has been appointed as a Member of Remuneration Committee of the Company with effect from 10 May 2016. She is also a director of certain subsidiaries of the Company.

From January 2008 to April 2014, Ms. Ng was the Chief Financial Officer of Country Garden Holdings Company Limited (Stock Code: 2007), a company whose shares are listed on the Stock Exchange. From September 2005 to November 2007, she was an executive director of Hang Lung Properties Limited (“**Hang Lung**”) (Stock Code: 101), a company whose shares are listed on the Stock Exchange. Prior to her joining in Hang Lung in 2003, she was employed by the Stock Exchange in a number of senior positions, most recently as senior vice president of the Listing Division. Prior to that, she gained valuable auditing experience with Deloitte Touche Tohmatsu. Ms. Ng is a qualified accountant and holds a Master of Business Administration degree from the Hong Kong University of Science and Technology. She is an associate of The Institute of Chartered Accountants in England and Wales, The Institute of Chartered Secretaries and Administrators, a fellow of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. She has also contributed her time to various public service appointments, including being a co-opted member of the audit committee of the Hospital Authority until November 2013.

Ms. Ng is an independent non-executive director of each of China Power New Energy Development Company Limited (Stock Code: 735) and Tianjin Development Holdings Limited (Stock Code: 882), both companies whose shares are listed on the Stock Exchange. With effect from 6 May 2016, Ms. Ng has been appointed as an independent director of DS Healthcare Group, Inc., a company the shares of which are listed on the Nasdaq Capital Market in the United States. She served as an independent non-executive director of China Mobile Games and Entertainment Group Limited, a company whose shares are listed by way of American Depositary Shares on the Nasdaq Global Market in the United States, until 10 August 2015. Ms. Ng also served as an independent non-executive director of Cypress Jade Agricultural Holdings Limited (Stock Code: 875) and Hong Kong Resources Holdings Company Limited (Stock Code: 2882) until 7 June 2013 and 31 July 2015 respectively, all companies are listed on the Stock Exchange.

Save as disclosed above, Ms. Ng has not held any other directorships in other listed public companies in the last three years and does not have any relationship with any directors, senior management or any substantial or controlling shareholders of the Company and did not have any interests in any Shares within the meaning of Part XV of the SFO.

There will be a service contract entered into between the Company and Ms. Ng for a term of three years. She will be subject to retirement by rotation and re-election at the AGM in accordance with the By-laws. The remuneration of Ms. Ng will be determined by the Remuneration Committee with reference to the Company’s performance and profitability, as well as the remuneration benchmark in the industry and the prevailing market conditions. For the financial year ended 29 February 2016, the total remuneration paid to Ms. Ng is HK\$2,412,000 which comprises salaries and allowance, and performance related bonus.

In relation to the re-election of Ms. Ng as an executive Director of the Company, save as disclosed hereof, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chan Yue Kwong, Michael (“**Mr. Chan**”), aged 64, has been an independent non-executive Director of the Company since 25 August 2010.

Mr. Chan has worked as a professional town planner with government bodies in Hong Kong and Canada. He holds a double major degree in Sociology and Political Science, a Master degree in City Planning from the University of Manitoba, Canada, an Honorary Doctorate degree in Business Administration, as well as being bestowed the Honorary Fellow from Lingnan University. He is also a member of the Political Consultative Committee of Nanshan District, Shenzhen in the People’s Republic of China. Mr. Chan has many years of professional experience in the public sector and over 30 years of management experience in the food and catering industry. Mr. Chan has been a Governor of the Canadian Chamber of Commerce in Hong Kong and a member of the Task Force on Promotion of Vocational Education until 2015. He is the General Committee Member of the Employers’ Federation of Hong Kong, the Adviser of the Quality Tourism Services Association, the Honorary Chairman of the Hong Kong Institute of Marketing, and the Chairman of the Business Enterprise Management Centre of the Hong Kong Management Association. In the public sector, Mr. Chan is appointed by the Government of the HKSAR as member of the Business Facilitation Advisory Committee.

Mr. Chan was the former chairman and is currently a non-executive director of Café de Coral Holdings Limited (Stock Code: 341) and a non-executive director of Tao Heung Holdings Limited (Stock Code: 573) and the independent non-executive director of each of Pacific Textiles Holdings Limited (Stock Code: 1382) and Starlite Holdings Limited (Stock Code: 403), all of which are listed on the Stock Exchange. He served as an independent non-executive director of Kingboard Laminates Holdings Limited (Stock Code: 1888), a company whose shares are listed on the Stock Exchange, until 31 July 2015. With effect from 24 November 2015 and 27 January 2016, Mr. Chan has been appointed as an independent non-executive directors of each of Modern Dental Group Limited (Stock Code: 3600) and Human Health Holdings Limited (Stock Code: 1419), both companies whose shares are listed on the Stock Exchange.

Save as disclosed above, Mr. Chan has not held any other directorships in other listed public companies in the last three years and does not have any relationship with any directors, senior management or any substantial or controlling shareholders of the Company and did not have any interests in any Shares within the meaning of Part XV of the SFO.

There will be a service contract entered into between the Company and Mr. Chan for a term of three years. He will be subject to retirement by rotation and re-election at the AGM in accordance with the Company’s Bye-Laws. The fixed director’s fee of Mr. Chan has been revised from HK\$360,000 to HK\$180,000 per annum with effect from 1 February 2016. The relevant fee payable to him is determined by reference to the level of fee normally payable by a listed public company in Hong Kong to an independent non-executive director.

Mr. Chan has now served the Board for more than 5 years. The board has received from Mr. Chan annual confirmation of his independence every year and taking into account of the various matters as set out in Rule 3.13 of the Listing Rules, the Board is satisfied with his independence and considers Mr. Chan continues to be independent.

In relation to the re-election of Mr. Chan as an independent non-executive Director of the Company, save as disclosed hereof, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chow Chee Wai, Christopher (“**Mr. Chow**”), aged 49, has been an independent non-executive Director of the Company since 1 March 2013.

Mr. Chow is the Founding Partner of TCC Capital, an advisory and private equity fund management company. He holds a Diploma of Investment and Finance from The Securities Institute of Australia, a Bachelor of Economics degree from The University of Sydney and is an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Chow has over 20 years’ experience in auditing and merger and acquisition advisory. Prior to founding TCC Capital, he worked for two of the “Big Four” international accounting firms in Sydney, Hong Kong and Beijing and was the Partner in charge of the mergers and acquisitions practice. He possesses in-depth understanding of financial and capital markets and has built up substantial experience in advising multinational companies, state owned enterprises and private companies in Hong Kong and Mainland China on a number of direct investments, and mergers and acquisitions transactions.

Mr. Chow has been appointed as a Member of Nomination Committee and a Chairman of Remuneration Committee of the Company with effect from 15 December 2015 and 1 January 2016 respectively.

Save as disclosed above, Mr. Chow has not held any other directorships in other listed public companies in the last three years and does not have any relationship with any directors, senior management or any substantial or controlling shareholders of the Company and did not have any interests in any Shares within the meaning of Part XV of the SFO.

There will be a service contract entered into between the Company and Mr. Chow for a term of three years. He will be subject to retirement by rotation and re-election at the AGM in accordance with the Company’s Bye-Laws. The fixed director’s fee of Mr. Chow has been revised from HK\$360,000 to HK\$180,000 per annum with effect from 1 February 2016. The relevant fee payable to him is determined by reference to the level of fee normally payable by a listed public company in Hong Kong to an independent non-executive director.

Mr. Chow has now served the Board for more than 3 years. The board has received from Mr. Chow annual confirmation of his independence every year and taking into account of the various matters as set out in Rule 3.13 of the Listing Rules, the Board is satisfied with his independence and considers Mr. Chow continues to be independent.

In relation to the re-election of Mr. Chow as an independent non-executive Director of the Company, save as disclosed hereof, there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING



TSE SUI LUEN JEWELLERY (INTERNATIONAL) LIMITED 謝瑞麟珠寶(國際)有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 417)

NOTICE IS HEREBY GIVEN that the annual general meeting of Tse Sui Luen Jewellery (International) Limited (the “**Company**”) will be held at Second Floor, Block B, Summit Building, 30 Man Yue Street, Hunghom, Kowloon, Hong Kong on Thursday, 21 July 2016 at 10:30 a.m. (Hong Kong time) 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 the independent auditors of the Company for the year ended 29 February 2016.
2. To declare a final dividend for the year ended 29 February 2016.
3.
 - (a) To re-elect Ms. Ng Yi Kum, Estella as an executive director of the Company for a term of three years.
 - (b) To re-elect Mr. Chan Yue Kwong, Michael as an independent non-executive director of the Company for a term of three years.
 - (c) To re-elect Mr. Chow Chee Wai, Christopher as an independent non-executive director of the Company for a term of three years.
 - (d) To authorise the board of directors of the Company (the “**Board**”) to fix the respective directors’ remuneration.
4. To re-appoint Messrs. Ernst & Young as independent auditors of the Company and to authorise the Board to fix their remuneration.
5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval for the listing of and permission to deal in the shares to be issued pursuant to the exercise of any options granted under the new share option scheme of the Company, a copy of which marked “A” is produced to the meeting and for the purposes of identification signed by the chairman thereof (the “**New Share Option Scheme**”, the principal terms of which are set out in the Appendix I to the Company’s circular

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

dated 21 June 2016), the New Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including but without limitation:

- (a) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for shares of the Company, including but not limited to determining and granting the options in accordance with the terms of the New Share Option Scheme;
 - (b) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”);
 - (c) to issue and allot from time to time such number of shares in the capital of the Company as may be required to be issued and allotted pursuant to the exercise of the options under the New Share Option Scheme and subject to the Listing Rules;
 - (d) to make applications at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for listing of and permission to deal in any shares which may hereafter from time to time be issued and allotted pursuant to the exercise of the options under the New Share Option Scheme; and
 - (e) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme.”
6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

“THAT:

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

NOTICE OF ANNUAL GENERAL MEETING

- (c) 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 of the Company pursuant to a Right Issue (as hereinafter defined) or any issue of shares of the Company as scrip dividends or similar arrangement providing for allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Bye-laws of the Company in force from time to time; or any issue of shares of the Company upon the exercise of options granted under any option scheme for the time being adopted by the Company, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing 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 any applicable law or the Bye-laws of the Company to be held; or
- (iii) the date on which the authority given to the directors of the Company by this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in the general meeting,

“**Rights Issue**” means an offer of shares of the Company (the “**Share(s)**”), open for a period fixed by the director of the Company to the holders of Shares on the register on a fixed record dated in proportion to their then holdings of Shares as at that date (subject to such exclusions or other arrangements as the director 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).”

- 7. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company, subject to and in accordance with all applicable laws and the requirements of the Listing Rules as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company which the directors of the Company are authorised to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; or
 - (iii) the date of which revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting,
8. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as an ordinary resolution:

“**THAT** conditional upon to the passing of ordinary resolutions numbered 6 and 7 above, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares pursuant to resolution no. 6 be and is hereby extended by the addition thereto of an amount representing the aggregate number of shares in the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution 7, provided that such extended number of shares so repurchased shall not exceed 10% of the total number of issued shares of the Company as at the date of passing such resolution.”

By Order of the Board
Tse Sui Luen Jewellery (International) Limited
Yau On Yee, Annie
Chairman

Hong Kong, 21 June 2016

As at the date hereof, the Board comprises two executive directors, namely Ms. Yau On Yee, Annie and Ms. Ng Yi Kum, Estella; two non-executive directors namely Mr. Erwin Steve Huang and Mr. Wang Guosheng and three independent non-executive directors, namely Mr. Chui Chi Yun, Robert, Mr. Chan Yue Kwong, Michael and Mr.. Chow Chee Wai, Christopher.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint one or, if he holds two or more shares, more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) Where there are joint registered holders of any share, any one such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
- (3) To be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof must be deposited at the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting (or adjourned meeting as the case may be). Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting (or adjourned meeting as the case may be) and in such event, the form of proxy shall be deemed to be revoked.
- (4) The Register of Members of the Company will be closed from Monday, 18 July 2016 to Thursday, 21 July 2016 (both days inclusive), during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders' entitlement to attend and vote at the annual general meeting. In order to be entitled to attend and vote at the annual general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. (Hong Kong Time) on Friday, 15 July 2016.
- (5) Upon the approval by shareholders at the annual general meeting, the proposed final dividend shall be distributed to shareholders whose names appear on the Register of Members of the Company on Wednesday, 3 August 2016. The Register of Members of the Company will be closed from Tuesday, 2 August 2016 to Wednesday, 3 August 2016 (both days inclusive), during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to be qualified for the proposed final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. (Hong Kong Time) on Monday, 1 August 2016.
- (6) Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in this notice will be taken by poll at the meeting (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).