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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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T S L 謝瑞麟

HONG KONG

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)

**PROPOSED BONUS ISSUE OF SHARES,
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 Emerald I & II, Level 8, The Ritz-Carlton Hong Kong, International Commerce Centre, 1 Austin Road West, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 19 July 2017 at 10:30 a.m. (Hong Kong time) is set out on pages 16 to 20 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, 19 June 2017

* 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:

“AGM”	the annual general meeting of the Company to be held at Emerald I & II, Level 8, The Ritz-Carlton Hong Kong, International Commerce Centre, 1 Austin Road West, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 19 July 2017 at 10:30 a.m. (Hong Kong time)
“AGM Notice”	the notice dated 19 June 2017 convening the AGM as set out on pages 16 to 20 of this circular
“Associate(s)”	has the meaning as ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Bonus Issue”	the proposed bonus issue of Shares on the basis of one (1) Bonus Share for every six (6) existing Shares held by the Qualifying Shareholders on the Record Date
“Bonus Share(s)”	new Share(s) to be issued by way of the Bonus Issue by the Company as described herein
“Bye-law(s)”	the bye-law(s) of the Company, as amended, supplemented or modified from time to time
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“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
“Controlling Shareholders”	has the meaning as ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“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

DEFINITIONS

“Latest Practicable Date”	12 June 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum of Association”	the memorandum of association of the Company, as amended, supplemented or otherwise modified from time to time
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) who is/are excluded from the Bonus Issue and as defined and more particularly described in the section headed “Overseas Shareholders” in this circular
“Overseas Shareholder(s)”	the Shareholder(s) whose addresses as shown on the register of members of the Company on the Record Date is/are outside Hong Kong
“Qualifying Shareholder(s)”	the Shareholder(s) whose names appear on the register of members of the Company on the Record Date and who are entitled to the Bonus Issue
“Record Date”	Thursday, 27 July 2017, being the date by reference to which entitlements to the Bonus Issue will be determined
“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
“Shareholder(s)”	the registered holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“2003 Share Option(s)”	the share option(s) granted under the 2003 Share Option Scheme
“2003 Share Option Scheme”	the share option scheme of the Company adopted on 26 November 2003
“%”	percent

EXPECTED TIMETABLE

The following is a summary of the events in relation to the proposed Bonus Issue and the dates upon which these events are currently expected to take place:

2017
(Hong Kong time)

Latest time for lodging transfer of Shares for registration in order to qualify for attending the AGM.....	4:30 p.m. on Thursday, 13 July
Closure of register of members for the entitlement to attend and vote at the AGM.....	Friday, 14 July to Wednesday, 19 July (both days inclusive)
Latest time for lodging form of proxy for the AGM (not less than 48 hours before time of the AGM or any adjournment thereof).....	10:30 a.m. on Monday, 17 July
Record date for attending the AGM	Wednesday, 19 July
Date and time of AGM	10:30 a.m. on Wednesday, 19 July
Announcement of poll results of the AGM.....	Wednesday, 19 July

The following events are subject to the satisfaction of the conditions of the Bonus Issue as set out in the section headed “Conditions of the Bonus Issue” in this circular.

2017
(Hong Kong time)

Last day of dealings in the Shares on a cum-entitlement basis.....	Friday, 21 July
First day of dealings in the Shares on an ex-entitlement basis	Monday, 24 July
Latest time for lodging transfers of the Shares for registration in order to qualify for the Bonus Issue.....	4:30 p.m. on Tuesday, 25 July
Closure of register of members for determining entitlement to the Bonus Shares.....	Wednesday, 26 July to Thursday, 27 July (both days inclusive)
Record Date for determining entitlement to the Bonus Shares.....	Thursday, 27 July
Re-open of register of members	Friday, 28 July
Despatch of share certificates for the Bonus Shares	on or before Friday, 4 August
First day of dealings in the Bonus Shares on the Stock Exchange	9:00 a.m. on Monday, 7 August

LETTER FROM THE BOARD



T S L 謝瑞麟

HONG KONG

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 Director:

Mr. Erwin Steve Huang *(Deputy Chairman)*

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, 19 June 2017

To the Shareholders

Dear Sir or Madam,

**PROPOSED BONUS ISSUE OF SHARES,
GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

Reference is made to the announcement of the Company dated 23 May 2017 in relation to the proposed Bonus Issue.

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) the proposed Bonus Issue; (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. PROPOSED BONUS ISSUE OF SHARES

The Company is pleased to announce that the Board has resolved to recommend the Bonus Issue, being a bonus issue of Shares on the basis of one (1) Bonus Share for every six (6) existing Shares held by the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date, subject to the approval by the Shareholders at the AGM. The Bonus Shares will be credited as fully paid at par by way of capitalisation of an amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company. The terms of the Bonus Issue are set out below.

Basis of the Bonus Issue

Subject to the conditions as set out under the heading “Conditions of the Bonus Issue” below, the Bonus Shares will be issued and credited as fully paid at par on the basis of one (1) Bonus Share for every six (6) existing Shares held by the Qualifying Shareholders on the Record Date.

Assuming that there is no change to the number of issued Shares on or before the Record Date, on the basis of 210,336,221 existing Shares in issue as at the Latest Practicable Date, 35,056,036 Bonus Shares will be issued representing approximately 16.67% of the existing issued share capital as at the date hereof. After the completion of the Bonus Issue, there will be a total of 245,392,257 Shares in issue as enlarged by the Bonus Issue. The Bonus Shares will be credited as fully paid at par value by way of capitalisation of an amount of HK\$8,764,009 in the share premium account of the Company pursuant to the Bonus Issue. The Bonus Shares, upon issue, will rank pari passu with the then existing Shares in all respects, except that the Bonus Shares do not entitle their holders to the proposed final dividend for the financial year ended 28 February 2017 and the Bonus Shares will not rank for the Bonus Issue.

The exact total number of the Bonus Shares to be issued under the Bonus Issue will not be capable of determination until the Record Date.

Adjustments to the 2003 Share Options granted under the 2003 Share Option Scheme

Implementation of the Bonus Issue may lead to adjustments to (a) the number and/or nominal amount of Shares subject to the 2003 Share Options so as far as unexercised; and/or (b) the subscription price; and/or (c) the maximum number of Shares available for subscription by the grantees. As the exact number of Bonus Shares will not be determined until the Record Date, the Company will notify the respective holders of the 2003 Share Options regarding the adjustments to be made, if any, pursuant to the respective terms and conditions of the 2003 Share Options. The Company will also make a further announcement upon adjustments to the 2003 Share Options, if any such adjustments are to be made.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the AGM approving the Bonus Issue;
- (ii) the Listing Committee granting the listing of, and permission to deal in the Bonus Shares; and

LETTER FROM THE BOARD

- (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of Bermuda and the Bye-laws to effect the Bonus Issue.

Listing, dealings and share certificates for the Bonus Issues

Application has been made to the Listing Committee for the listing of, and permission to deal in the Bonus Shares. No part of the securities of the Company is listed or dealt in, nor is listing or permission to deal in the securities of the Company being or proposed to be sought, on any other stock exchange.

It is expected that share certificates for the Bonus Shares will be posted by ordinary post on or before Friday, 4 August 2017 upon fulfillment of all the conditions of the Bonus Issue at the risk of the Qualifying Shareholders to their respective addresses shown on the register of members of the Company on the Record Date. In the case of a joint holding, the share certificates for the Bonus Shares will be posted to the address of the person whose name stands first on the register of members of the Company on the Record Date. One share certificate will be issued for all the Bonus Shares a shareholder is entitled to.

Subject to the fulfillment of the conditions as set out in the paragraph headed “Conditions of the Bonus Issue” above, which includes the granting of listing of, and permission to deal in, the Bonus Shares on the Stock Exchange, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Bonus Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Subject to the fulfilment of the conditions of the Bonus Issue, dealings in the Bonus Shares are expected to commence on Monday, 7 August 2017.

Overseas Shareholders

As at the Latest Practicable Date, there are Overseas Shareholders whose addresses as shown on the register of members of the Company are in Australia, Canada, France, Macau, Malaysia, Singapore, the United Kingdom and the United States of America respectively. Pursuant to Rule 13.36(2)(a) of the Listing Rules, the Board has made enquires with its legal advisers on the laws of Australia, Canada, France, Macau, Malaysia, Singapore, the United Kingdom and the United States of America respectively regarding the respective legal restrictions under the laws of the relevant jurisdictions and the requirements of the relevant regulatory body or stock exchange with respect to extending the Bonus Issue to the Overseas Shareholders.

Based on the results of such enquiries, the Board is given to understand that there are no legal restrictions or requirements of any regulatory body or stock exchange that would prevent the issuance of the Bonus Shares to such Overseas Shareholder(s) in Australia, Canada, France, Macau, Malaysia, Singapore, the United Kingdom and the United States of America respectively.

Therefore such Overseas Shareholders would constitute Qualifying Shareholders and the Company proposes to extend the Bonus Issue to them (provided that their names are still shown on the register of Shareholders on the Record Date).

LETTER FROM THE BOARD

The Company will continue to monitor the appearance on the Company's register of members of any Overseas Shareholders whose addresses are in jurisdictions other than Australia, Canada, France, Macau, Malaysia, Singapore, the United Kingdom or the United States of America. Should any come to light, the Board will make similar enquiry necessary of overseas counsel(s) on the applicable procedural requirements for extending the Bonus Issue to them. If the Board is of the view that the exclusion of any Overseas Shareholder(s) is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Bonus Shares will not be issued to those Overseas Shareholder(s), and they will be treated as the Non-Qualifying Shareholders.

In such circumstances, arrangements will be made for the Bonus Shares, which would otherwise have been issued to the Non-Qualifying Shareholder(s), if any, to be sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of such sale, after deduction of the related expenses will be distributed in Hong Kong dollars to the relevant Non-Qualifying Shareholder(s), if any, pro rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100.00 in which case it will be retained for the benefit of the Company.

Notice to Shareholders with registered addresses in France

The Bonus Issue does not require a prospectus to be submitted for approval to the *Autorité des Marchés Financiers*. Persons or entities referred to in point 2°, Section II of Article L. 411-2 of the French Monetary and Financial Code may receive the Bonus Shares for their own account, as provided in Articles D. 411-1, D. 411-2, D. 744-1, D. 754-1 and D. 764-1 of the French Monetary and Financial Code; the financial instruments thus issued to the shareholders of the Company cannot be distributed or offered directly or indirectly to the public in France otherwise than in accordance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Monetary and Financial Code.

Status of the Bonus Shares and fractional entitlements

The Bonus Shares, upon issue, will rank *pari passu* with the then existing Shares in all respects, including the entitlement of receiving dividends and other distributions the record date for which falls on or after the date of allotment and issue of those Bonus Shares, except that the Bonus Shares do not entitle their holders to the proposed final dividend for the financial year ended 28 February 2017 and the Bonus Shares will not rank for the Bonus Issue.

The total number of Bonus Shares to be issued to any Shareholder will be rounded down to a whole number, if there are any fractional entitlements of the Bonus Shares. Such fractional entitlement arising from the Bonus Issue (if any) will not be issued to the Shareholders, but will be cancelled by the Company.

The Bonus Shares issued arising from Bonus Issue may be allotted in odd lots (of less than a board lot of 2,000 Shares). The scale of the Bonus Issue is not significant and therefore no special dealing arrangements will be put in place by the Company to facilitate the trading or disposal of the Bonus Shares issued in odd lots. The Qualifying Shareholders should be aware that odd lots usually trade at a discount to the price of the whole board lots.

LETTER FROM THE BOARD

Reasons and benefits for the Bonus Issue

The Bonus Issue will enable the Shareholders to enjoy a pro-rata increase in the number of Shares being held by them in the Company without their incurring any costs. In considering the Bonus Issue, the Board sought to balance the amount to be capitalised under the share premium account against the Company retaining an adequate amount of reserves for the Company's operation in the future without impairing its financial position. The Bonus Issue also has the propensity to increase liquidity in the Shares, by increasing the number of Shares that will be in issue. Actual liquidity prospects will depend upon the extent of trading in the Bonus Shares, as commented on further below.

The Board would expect the price per Share, post Bonus Issue, to fall, but on the basis that a Shareholder's proportionate interest in the Company and related voting rights will remain identical post Bonus Issue. By way of illustration only, based on the closing price of HK\$2.97 per Share as at the Latest Practicable Date, the theoretical share price per Share would decrease to HK\$2.55 on completion of the Bonus Issue, but the number of Shares held will increase.

In addition to, and as a result of the above, as the bid-offer spread of the Shares will remain unchanged (that is, HK\$0.22), the spread as a percentage of the Share price will increase immediately after the Bonus Issue. Such may induce more trading by frequent traders, as the profitability of a rise in a single "spread" is enhanced (provided that such frequent traders are willing to accept an increased potential loss of a fall in a single "spread"). However, the transaction cost (in terms of percentage of bid-offer spread to the Share price) may increase, which may have a negative impact on the liquidity of the Shares. Given the above, the Company considers that it is inconclusive as to whether the widened bid-offer spread in terms of percentage of Share price immediately after the Bonus Issue will, as a whole, have any positive or negative impact on the liquidity of the Shares.

Shareholders are advised to take note that the information mentioned in the above paragraphs is considered as forward looking that is based on management's assumptions current beliefs and estimates that are subjects to risks, uncertainties and other factors in the market and under no circumstances shall it be considered as guarantee for future performance and therefore actual results may differ materially from those presented in this circular. Shareholders are further advised to consult their professional advisers if they are in doubt about the advantages and disadvantages of the Bonus Issue.

The Board has also considered alternative method to achieve the above purposes, including sub-division of Shares. Having considered the administrative procedures to be involved and the insignificant expenses arising from the Bonus Issue, the Directors consider that the Bonus Issue is more appropriate in achieving the abovementioned purposes taking into account the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company does not have any intention for any equity fundraising or other corporate action or arrangement that may affect the trading in its Shares except for a potential scrip dividend scheme in relation to the proposed final dividend for the year ended 28 February 2017 and the potential grant of share options under the share option scheme of the Company adopted on 21 July 2016.

LETTER FROM THE BOARD

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 I hereto.

4. RE-ELECTION OF RETIRING DIRECTORS

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. Erwin Steve Huang and Chui Chi Yun, Robert will retire at the AGM. Each of them, being eligible, will offer himself for re-election as a non-executive Director and an independent non-executive Director respectively for a term of three years.

The particulars of Messrs. Erwin Steve Huang and Chui Chi Yun, Robert are set out in Appendix II hereto.

5. AGM AND PROXY ARRANGEMENT

A notice convening the AGM to be held at Emerald I & II, Level 8, The Ritz-Carlton Hong Kong, International Commerce Centre, 1 Austin Road West, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 19 July 2017 at 10:30 a.m. (Hong Kong time) is set out on pages 16 to 20 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.

LETTER FROM THE BOARD

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. CLOSURE OF REGISTER OF MEMBERS

Shareholders whose names appear on the Company's register of members on Wednesday, 19 July 2017, will be eligible to attend and vote at the AGM. The transfer books and register of members will be closed from Friday, 14 July 2017 to Wednesday, 19 July 2017, both days inclusive, during which period no transfer of Shares will be effected. In order to determine the identity of shareholders who are entitled to attend and vote at the AGM, 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 Thursday, 13 July 2017.

Shareholders whose names appear on the Company's register of members on Thursday, 27 July 2017, will qualify for the proposed final dividend. The Company's transfer books and register of members will be closed from Wednesday, 26 July 2017 to Thursday, 27 July 2017 (both days inclusive) for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify 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 in Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. (Hong Kong Time) on Tuesday, 25 July 2017.

Shareholders whose name appear on the Company's register of members on Thursday, 27 July 2017, will qualify for the entitlement to the Bonus Shares. The Company's transfer books and register of members will be closed from Wednesday, 26 July 2017 to Thursday, 27 July 2017 (both days inclusive) for the purpose of ascertaining shareholders' entitlement to the Bonus Shares. In order to qualify for the entitlement to the Bonus Shares, all transfer forms accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. (Hong Kong Time) on Tuesday, 25 July 2017.

7. RECOMMENDATION

The Directors consider that the proposed (i) Bonus Issue; (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 all resolutions set out in the AGM Notice.

8. GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the proposed resolutions and no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM.

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

This Appendix I 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 next 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, 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 28 February 2017) 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>
2016		
June	2.30	2.00
July	2.15	2.00
August	2.40	2.09
September	2.35	2.11
October	2.32	2.20
November	2.46	2.00
December	2.45	2.20
2017		
January	2.57	2.22
February	2.62	2.31
March	3.37	2.58
April	3.45	2.83
May	3.17	2.90
June (up to the Latest Practicable Date)	3.03	2.93

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

NON-EXECUTIVE DIRECTOR

Mr. Erwin Steve Huang (“**Mr. Huang**”), aged 51, is a Non-executive Director and the Deputy Chairman of the Company. He was the Chief Executive Officer of the Company for the period from 24 April 2008 to 28 February 2010. Prior to joining the Group in March 2005, he was a seasoned entrepreneur in different industries, including publishing, education, telecom and information technology. Mr. Huang has built and developed multiple companies in London, San Francisco, Tokyo and Hong Kong in the past years. He holds double degrees in Science in Business Administration and Business Administration and Management from Boston University, USA.

Mr. Huang is a non-executive director of Sky Light Holdings Limited (stock code: 3882), a company whose shares are listed on the Stock Exchange.

Mr. Huang is actively engaged in social entrepreneurship with a view to bridging social needs through innovation and information technology. He is currently Associate Professor on Engineering Practice, Adjunct Professor of the Department of Information Systems, Business Statistics and Operations Management, Senior Advisor (Entrepreneurship) of The Hong Kong University of Science and Technology. He is currently the President of Hong Kong Information Technology Federation, one of the largest and most respected information communication technology associations in Hong Kong; the Deputy Chairman of Junior Achievement Hong Kong, dedicated to inspiring and preparing young leaders to succeed in the global economy through entrepreneurship and the Evangelist of WebOrganic, a social enterprise under The Hong Kong Council of Social Service designed to help deprived students participate in digital computing developments and e-learning. Mr. Huang is one of the Founding Members and currently serves as Vice-Chairman of the Senior Citizen Home Safety Association, a UN award winning non-governmental organization in Asia, which provides personal emergency link services for the elderly through the use of technology, people-oriented services, and innovative methods. Mr. Huang also chairs the eLearning Consortium, which has been instrumental in driving Hong Kong’s e-learning initiatives in education reform. In 2011 and 2016, he was elected as an Election Committee Member (Information Technology) for the Legislative Council and Chief Executive of HKSAR.

Save as disclosed above, Mr. Huang 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. Huang for a term of three years. He will be subject to retirement by rotation and re-election at the AGM in accordance with the Bye-laws. Mr. Huang is entitled to a fixed director’s fee of HK\$180,000 per annum in consideration of the reference to the level of fee normally payable by a listed public company in Hong Kong to a non-executive director.

In relation to the re-election of Mr. Huang as a Non-executive Director, 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.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chui Chi Yun, Robert (“**Mr. Chui**”), aged 60, is an Independent Non-executive Director, the chairman of the Audit Committee and a member of the Remuneration Committee of the Company, who joined the Group in 1999.

Mr. Chui is a practising Certified Public Accountant in Hong Kong. He holds a Bachelor’s degree in Commerce (Major in Accounting) and is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants in the United Kingdom. Mr. Chui is an independent non-executive director of each of National Arts Entertainment and Culture Group Limited (Stock Code: 8228), PPS International (Holdings) Limited (Stock Code: 8201), Wing Lee Property Investments Limited (Stock Code: 864) and F8 Enterprises (Holdings) Group Limited (Stock Code: 8347), all of which are listed on the Stock Exchange. He served as an independent non-executive director of Aurum Pacific (China) Group Limited (Stock Code:8148) and a non-executive director of Addchance Holdings Limited (Stock Code: 3344), both companies whose shares are listed on the Stock Exchange, until 2 March 2016 and until 23 May 2017 respectively. He is also a director of a number of private companies and associations.

Save as disclosed above, Mr. Chui 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. Chui for a term of three years. He will be subject to retirement by rotation and re-election at the AGM in accordance with the Bye-laws. Mr. Chui is entitled to a fixed director’s fee of HK\$180,000 per annum in consideration of the reference to the level of fee normally payable by a listed public company in Hong Kong to an independent non-executive director.

Mr. Chui has now served the Board for more than 18 years. The board has received from Mr. Chui 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. Chui continues to be independent.

The Board believes that Mr. Chui, through his experience as a professional accountant, would contribute significantly to the strategy development and the continuous improvement on internal controls and other relevant financial and corporate governance matters of the Company.

In relation to the re-election of Mr. Chui as an Independent Non-executive Director, 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.

NOTICE OF ANNUAL GENERAL MEETING



T S L 謝瑞麟

HONG KONG

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 Emerald I & II, Level 8, The Ritz-Carlton Hong Kong, International Commerce Centre, 1 Austin Road West, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 19 July 2017 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 28 February 2017.
2. To declare a final dividend for the year ended 28 February 2017.
3. (a) To re-elect Mr. Erwin Steve Huang as a non-executive director of the Company for a term of three years.

(b) To re-elect Mr. Chui Chi Yun, Robert as an independent non-executive director of the Company for a term of three years.

(c) 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, which will be proposed, as an ordinary resolution of the Company:

“THAT:

subject to The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the Bonus Shares (as defined below):

- (a) an amount standing to the credit of the share premium account of the Company as shall be required to be applied in paying up in full at par new shares of HK\$0.25 each in the capital of the Company, such shares, credited as fully

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

paid, to be allotted, issued and distributed among members of the Company whose names appear on the register of members of the Company on Thursday, 27 July 2017 (the “**Record Date**”) on the basis of one new share (“**Bonus Share**”) for every six existing shares of the Company then held by a Qualifying Shareholder (as defined in the Circular), be capitalised and applied in such manner and the directors of the Company (the “**Directors**”) be and are hereby authorised to allot, issue and distribute such Bonus Shares.

- (b) in the case where the address of any holder of Shares as shown on the register of members of the Company on the Record Date is outside Hong Kong (the “**Overseas Shareholders**”) and upon making relevant enquiries, the Directors consider the exclusion of such Overseas Shareholders is necessary or expedient on account of local legal or regulatory reasons, the Bonus Shares shall not be issued to such Overseas Shareholders (the “**Non-Qualifying Shareholders**”) but shall be aggregated and sold in the market as soon as practicable after dealings in the Bonus Shares commence, on the basis that any net proceeds of sale, after deduction of the related expenses, will be distributed in Hong Kong dollars to the relevant Non-Qualifying Shareholders, if any, pro-rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100.00 in which case it will be retained for the benefit of the Company;
 - (c) the Bonus Shares to be allotted, issued and distributed pursuant to paragraph (a) of this resolution shall be subject to the memorandum of association and bye-laws of the Company and shall rank *pari passu* in all respects with the existing issued shares on the Record Date, except that they will not entitle their holders to receive the Bonus Shares mentioned in this resolution, or the final dividend for the year ended 28 February 2017; and
 - (d) the Directors be and are hereby authorised, at their absolute discretion, to do all acts and things as may be necessary and expedient in connection with the allotment and issue of the Bonus Shares, including, but not limited to, determining the amount to be capitalised out of the share premium account of the Company and the number of Bonus Shares to be allotted, issued and distributed in the manner referred to in paragraph (a) of this resolution.”
6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue 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;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) shall authorise the Directors 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);
- (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 pursuant to a Rights 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 laws or the bye-laws of the Company to be held; or
- (iii) the date on which the authority given to the Directors 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 Directors to the holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase Shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the total number of Shares which the Directors 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
 - (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 laws 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 resolution 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 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, 19 June 2017

As at the date hereof, the Board comprises two executive directors, namely Ms. Yau On Yee, Annie and Ms. Ng Yi Kum, Estella; one non-executive director, namely Mr. Erwin Steve Huang 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 notarially 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 Friday, 14 July 2017 to Wednesday, 19 July 2017 (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 in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. (Hong Kong Time) on Thursday, 13 July 2017.
- (5) 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).