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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 licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Upbest Group Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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UPBEST GROUP LIMITED

美建集團有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 335)

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;
(4) PROPOSAL FOR BONUS ISSUE OF SHARES; AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “**AGM**”) of the Company to be held at 2nd Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong on Wednesday, 31st August 2016 at 10:30 a.m. is set out on pages 19 to 24 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.upbest.com.

Whether or not you are unable to attend the AGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and return the same to the office of the Company at 2nd Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be convened and held at 2nd Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong on Wednesday, 31st August 2016 at 10:30 a.m. to consider and, if thought fit, approve, among other things, (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; (v) the proposed Increase in Authorised Share Capital; and (vi) the proposal for the Bonus Issue
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Bonus Issue”	the proposed issue of Bonus Shares on the basis of one (1) Bonus Share for every one (1) existing Share held on the Record Date by the Qualifying Shareholders
“Bonus Share(s)”	the new Share(s) to be allotted, issued and credited as fully paid-up Shares under the Bonus Issue
“close associate”	has the meaning ascribed to this term under the Listing Rules
“Company”	Upbest Group Limited (stock code: 335), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and all of its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	the proposed increase the authorised share capital of the Company from HK\$30,000,000 divided into 3,000,000,000 shares of HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each
“Issue Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot, issue, or deal with new Shares not exceeding 20% of the number of issued Shares of the Company as at the date of Shareholders’ approval for the grant of the Issue Mandate
“Latest Practicable Date”	22nd July 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholders”	holders of the issued Shares whose addresses as shown in the register of members of the Company on the Record Date are in jurisdictions outside Hong Kong (if any)
“Prohibited Shareholders”	those Overseas Shareholders, whose the Board, after making enquiries pursuant to rule 13.36(2) of the Listing Rules, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to extend the Bonus Issue to them (if any)
“Qualifying Shareholders”	holders of the issued Shares whose names are shown on the register of members of the Company on the Record Date (and not being Prohibited Shareholders), who are entitled to participate in the Bonus Issue
“Record Date”	7th September 2016, being the record date for determination of entitlements to the Bonus Issue
“Register”	the register of members of the Company
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the number of issued Shares of the Company as at the date of Shareholders’ approval for the grant of the Repurchase Mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial Shareholders”	has the meaning ascribed to this term under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

EXPECTED TIMETABLE

Set out below is the expected timetable of the Bonus Issue:

2016

Latest time to return form of proxy for the AGM	10:30 a.m. on 29th August
Date and time of the AGM	10:30 a.m. on 31st August
Publish the poll results announcement	31st August
Last day of dealings in the Shares on a cum-entitlement basis	1st September
First day of dealing in the Shares on an ex-entitlement basis	2nd September
Latest time for lodging transfers of the Shares for registration in order to qualify for the Bonus Issue	4:00 p.m. on 5th September
Closure of register of members of the Company for determination of entitlements under the Bonus Issue	6th September to 7th September (both days inclusive)
Record date for determination of entitlements under the Bonus Issue	7th September
Register of members of the Company re-opens	8th September
Despatch date of share certificates for Bonus Shares	19th September
Dealings in Bonus Shares commence	9:00 a.m. 20th September

All times stated in this circular refer to Hong Kong times. Dates stated in this circular for events in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the Bonus Issue will be announced as appropriate.

LETTER FROM THE BOARD



UPBEST GROUP LIMITED

美建集團有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 335)

Executive Directors:

Ms. CHENG Wai Ling, Annie
Mr. CHENG Wai Lun, Andrew
Mr. MOK Kwai Hang

Non-executive Directors:

Mr. IP Man Tin, David (*Chairman*)
Dr. SZE Ping Fat

Independent non-executive Directors:

Mr. CHAN Chung Yee, Alan
Mr. POON Kai Tik
Mr. HUI Man Ho, Ivan

Registered office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Principal place of business:

2nd Floor
Wah Kit Commercial Centre
300 Des Voeux Road Central
Hong Kong

29th July 2016

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

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;
(4) PROPOSAL FOR BONUS ISSUE OF SHARES; AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the forthcoming AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; (v) the proposed Increase in Authorised Share Capital; and (vi) the proposal for the Bonus Issue.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; (v) the proposed Increase in Authorised Share Capital; (vi) the proposal for the Bonus Issue; and (vii) the notice of the AGM.

ISSUE MANDATE AND REPURCHASE MANDATE

At the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the Issue Mandate and the Repurchase Mandate.

Issue Mandate

At the AGM, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the Issue Mandate) to allot, issue and deal with unissued Shares or underlying shares (other than by way of rights or pursuant to a share option scheme for employees of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Articles of Association) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate of up to 20% of the number of issued Shares of the Company as at the date of granting of the Issue Mandate.

In addition, a separate ordinary resolution will further be proposed for extending the Issue Mandate authorizing the Directors to allot, issue and deal with Shares to the extent of the number of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has aggregate of 1,341,158,379 Shares in issue. Subject to the passing of the resolutions for the approval of the Issue Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Directors would be allowed under the Issue Mandate to allot, issue and deal with a maximum 268,231,675 Shares.

Repurchase Mandate

At the AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate of up to 10% of the number of issued Shares as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 134,115,837 Shares.

LETTER FROM THE BOARD

The Issue Mandate (including the extended Issue Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the Issue Mandate (including the extended Issue Mandate) and the Repurchase Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles, the Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any other applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the Issue Mandate (including the extended Issue Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

According to article 116 of the Articles of Association and The Corporate Governance Code in Appendix 14 of the Listing Rules, any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting one third of the Directors for the time being (or, if their number is not three or a multiple of three (3), then the number nearest to, but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

The Board currently consists of eight Directors, namely Mr. IP Man Tin, David (Chairman), Dr. SZE Ping Fat, Ms. CHENG Wai Ling, Annie, Mr. CHENG Wai Lun, Andrew, Mr. MOK Kwai Hang, Mr. CHAN Chung Yee, Alan, Mr. POON Kai Tik and Mr. HUI Man Ho, Ivan.

Pursuant to Article 116 of the Articles of Association, Mr. CHENG Wai Lun, Andrew, Dr. SZE Ping Fat and Mr. POON Kai Tik shall retire by rotation at the AGM. Each of Mr. CHENG Wai Lun, Andrew, Dr. SZE Ping Fat and Mr. POON Kai Tik being eligible, offers themselves for re-election at the AGM.

At the AGM, ordinary resolutions will be proposed to re-elect Mr. CHENG Wai Lun, Andrew as executive Director, Dr. SZE Ping Fat as non-executive Director and Mr. POON Kai Tik as independent non-executive Director.

Particulars relating to each of Mr. CHENG Wai Lun, Andrew, Dr. SZE Ping Fat, and Mr. POON Kai Tik are set out in Appendix II to this circular.

LETTER FROM THE BOARD

FINAL DIVIDEND

As stated in the announcement issued by the Company dated 27th June 2016 relating to the annual results of the Group for the year ended 31st March 2016, the Board recommends the payment of the final dividend of HK3.0 cents per Share for the year ended 31st March 2016 to Shareholders whose names appear on the Register on the Record Date. The Final Dividend is subject to approval by the Shareholders at the AGM and a resolution will be proposed to the Shareholders for voting at the AGM.

Closure of Register

The Register will be closed from 6th September 2016 to 7th September 2016 (both dates inclusive) in order to determine the Shareholders' entitlements to the Final Dividend, during which no transfer of Shares will be registered.

To qualify for the final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the share registrar, Tricor Standard Limited, for registration no later than 4:00 p.m. on 5th September 2016.

Shareholders whose names appear on the Register on the Record Date, i.e. 7th September 2016 will be entitled to the final dividend.

THE PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$30,000,000 divided into 3,000,000,000 shares of HK\$0.01 each.

In order to accommodate future expansion and the growth of the Group and to cater for possible issue of new Shares in the future, the Directors propose to increase the authorised share capital of the Company from HK\$30,000,000 divided into 3,000,000,000 Shares of HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each.

Save for the Bonus Issue, there is no agreement entered into by the Company with any parties that may involve the issue of new Shares after the proposed Increase in the Authorised Share Capital of the Company as at the Latest Practicable Date. The share capital structure as disclosed in the monthly return of the Company and as at the Latest Practicable Date includes 1,341,158,379 Shares and there are no outstanding share options and/or convertible securities as at the Latest Practicable Date. The proposed Increase in Authorised Share Capital is conditional on the approval by Shareholders at the AGM.

PROPOSAL FOR BONUS ISSUE

Reference is made to the annual results announcement of the Company dated 27th June 2016, in which the Board announced that it had resolved to recommend the payment of a final dividend of HK3.0 cents per Share and propose a Bonus Issue to the Qualifying Shareholders. For the avoidance of doubt, the Bonus Shares to be allotted and issued under the Bonus Issue shall not be entitled to the final cash dividend of HK3.0 cents as declared, but the Bonus Shares will rank pari passu with all other Shares in issue at the time of allotment and issue of the Bonus Shares and will be entitled to any subsequent dividends and/or distributions (if any) to be declared by the Company. One share certificate will be issued for all the Bonus Shares a shareholder is entitled to.

LETTER FROM THE BOARD

The Bonus Issue is proposed to be made to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date. The principal terms of the Bonus Issue are set out below:

Basis of Bonus Issue

Subject to the conditions as set out under the heading “Conditions of Bonus Issue” below, the Bonus Issue is proposed to be made on the basis of one (1) Bonus Share for every one (1) existing Share held on the Record Date by the Qualifying Shareholders. The Bonus Shares will be issued and credited as fully paid at par by capitalization of an amount standing to the credit of the share premium/reserves account of the Company that is equivalent to the aggregate nominal value of the Bonus Shares to be issued by the Company. On the basis of 1,341,158,379 existing Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or purchased before the Record Date, approximately 1,341,158,379 Bonus Shares will be issued under the Bonus Issue (representing approximately 10% of the issued share capital as at the Latest Practicable Date and the Record Date), and HK\$13,411,583.79 standing to the credit of the share premium/reserves account of the Company will be capitalized for paying up in full at par of the 1,341,158,379 Bonus Shares.

Based on the closing price of HK\$2.18 per Share as at the Latest Practicable Date and the final dividend of HK3.0 cents per Share, the ex-entitlement theoretical price per Share after the Bonus Issue would be HK\$1.075 per Share.

Record Date and closure of register of members

The Bonus Shares will be issued to the Qualifying Shareholders. Arrangement for the Prohibited Shareholders are further elaborated below under the heading “Prohibited Shareholders”.

The register of members of the Company will be closed from 6th September to 7th September 2016 (both days inclusive) in order to determine the entitlements of the Shareholders under the Bonus Issue. In order to qualify for the Bonus Issue, all transfers accompanied by the relevant share certificates must be lodged with the Registrar no later than 4:00 p.m. on 5th September 2016.

Reasons for Bonus Issue

As a result of the improving annual results of the Group, the Board decided to propose the Bonus Issue.

Despite the share price per Share on an ex-entitlement basis might be reduced by the same proportion and the Bonus Issue is not expected to increase the Shareholders’ proportionate interests in the Company, the Bonus Issue will increase the number of Shares to be held by the Shareholders and will capitalise part of the share premium account. Whilst it is arguable that the Bonus Issue may theoretically reduce the value of each Shareholder’s holding in the Company due to the transaction costs involved in the Bonus Issue, it is noted that the transaction costs are expected to be minimal. With such additional number of Shares in issue as a result of the Bonus Issue, it is expected that it will improve the trading liquidity of the Shares and will be beneficial to the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

The Company has considered the corresponding advantages and disadvantages of the Bonus Issue, including but not limited to the potential improvement in trading liquidity of the Shares and also the transaction costs involved in the Bonus Issue. The transaction costs involved in the Bonus Issue are expected to be minimal and below HK\$200,000.

The Company has also considered alternative method to achieve the purpose of the Bonus Issue such as a share subdivision. A share subdivision will involve additional administrative works and transaction costs such as arrangement for exchange of share certificates. Given that part of the share premium will be capitalised, together with the fact that the Company needs not to arrange exchange of new share certificates for the Bonus Issue and the lower transaction costs involved in comparison with the costs under share subdivision, the Board considers that the Bonus Issue is more appropriate in the circumstance.

The Board considers that the Bonus Issue will double the number of Shares to be held by the Shareholders, which will in turn enable them to enjoy more flexibility in managing their own investment portfolios such as giving them an opportunity to dispose of their Shares and realise a cash return to meet their individual Shareholders' financial needs. For those minority Shareholders which only hold one single board lot of the Shares prior to the Bonus Issue, the Bonus Issue will allow them to have the flexibility to dispose part of (but not all) of their Shares in the market. As such, the Board is of the view that the Bonus Issue could potentially improve the trading liquidity of the Shares.

While the Bonus Issue will not increase the proportionate interests of each of the Shareholders, the Bonus Issue will increase the number of Shares to be held by the Shareholders. The Shareholders may elect either to dispose of the Bonus Shares or to retain the Bonus Shares at their discretion. Shareholders are advised to consult their professional advisers if they are in doubt about the corresponding advantages and disadvantages of the Bonus Issue.

Prohibited Shareholders

The issue of Bonus Shares to Overseas Shareholders under the Bonus Issue may be affected by the laws of their relevant jurisdictions.

All Shareholders residing outside Hong Kong should consult their bankers or other professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to receive the Bonus Shares.

As at the Latest Practicable Date, there was no Overseas Shareholder as shown in the register of members of the Company. Should there be any Overseas Shareholders whose addresses as shown in the register of members of the Company on the Record Date are in jurisdictions outside Hong Kong, enquiry will be made by the Board pursuant to rule 13.36(2)(a) of the Listing Rules. Based on the results of such enquiry, if the Board is of the view that the exclusion of the Overseas Shareholders is necessary or expedient, the Bonus Shares will not be granted to the Prohibited Shareholders. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Prohibited Shareholders, if any, to be sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Prohibited Shareholders, if any, pro rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount to be distributed to any such persons is less than HK\$100, in which case it will be retained for the benefits of the Company.

LETTER FROM THE BOARD

It is the responsibility of the Shareholders (including Overseas Shareholders) to observe the local legal requirements applicable to the Shareholders for taking up and on-sale (if applicable) of the Bonus Shares under the Bonus Issue.

Status of Bonus Shares The Bonus Shares, upon issued, will rank pari passu with the Shares then existing in all respects, including the entitlement of receiving dividends and other distributions on the record date for which is on or after the date of allotment and issue of those Bonus Shares.

Fraction of Bonus Shares and odd lot

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

The Bonus Issue is not expected to result in any odd lots for Shareholders who hold Shares in whole board lot size.

Conditions of Bonus Issue

The Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue by the Shareholders at the AGM to be held;
- (ii) the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirement (if any) under the applicable laws of the Cayman Islands and the Articles of Association to effect the Bonus Issue.

Application will be made to the Stock Exchange in respect of such listing of, and permission to deal in, the Bonus Shares. The Bonus Shares to be issued pursuant to the Bonus Issue are subject to the grant of the listing approval by the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares. Apart from making listing application to the Listing Committee of the Stock Exchange, the Board does not propose to make application to any other stock exchanges for the listing of and permission to deal in, the Bonus Shares. No securities of the Company are listed or dealt in on any other stock exchanges. No new class of securities is to be listed pursuant to the Bonus Issue and that all necessary arrangements will be made by the Company to enable the Bonus Shares to be admitted into the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited.

AGM

A notice convening the AGM to be held at 2nd Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong on Wednesday, 31st August 2016 at 10:30 a.m. is set out on pages 19 to 24 of this circular. Ordinary resolutions will be proposed by the Company at the AGM to approve, among other things, (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; (v) the proposed Increase in Authorised Share Capital; and (vi) the proposal for the Bonus Issue.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.upbest.com. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the office of the Company at 2nd Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

All the resolutions proposed to be approved at the AGM will be taken by poll save that the chairman of the AGM may in good faith, allow resolutions which relate purely to a procedural or administrative matter to be voted on by a show of hands in which case every Shareholder present in person (or being a corporation, is present by a duly authorized representative) or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Shareholder which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. An announcement will be made by the Company after the AGM on the results of the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider (i) the proposed grant of the Issue Mandate (including the extended Issue Mandate to deal with Shares repurchased under the Repurchase Mandate); (ii) the Repurchase Mandate; (iii) the proposed re-election of Directors; (iv) the proposed final dividend; (v) the proposed Increase in Authorised Share Capital; and (vi) the proposal for the Bonus Issue are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

GENERAL

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation in the event of inconsistency. Your attention is drawn to the information set out in appendices to this circular.

Yours faithfully,
For and on behalf of the Board of
Upbest Group Limited
IP Man Tin, David
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. REPURCHASE OF SECURITIES FROM CORE CONNECTED PARTIES

The Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a core connected person, that is, a Director, chief executive or Substantial Shareholder of the Company or any of its subsidiaries or a close associate of any of them and a core connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,341,158,379 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 134,115,837 fully paid Shares, representing 10% of the number of issued Shares of the Company as at the date of passing of the resolution.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and its Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases would be funded entirely from the Company's cash flow or working capital facilities, which will be funds legally available for such purpose under the laws of the Cayman Islands, and the memorandum of association of the Company and the Articles of Association.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31st March 2016, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months immediately prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2015		
July	2.45	1.88
August	2.33	1.98
September	2.23	1.96
October	2.03	1.83
November	1.95	1.70
December	2.28	1.78
2016		
January	2.38	1.71
February	1.85	1.66
March	1.94	1.65
April	2.42	1.90
May	2.32	2.13
June	2.43	2.08
July (up to the Latest Practicable Date)	2.28	2.14

6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell to the Company or its subsidiaries any of the Shares in the Company if the Repurchase Mandate is approved at the AGM.

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 repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of Cayman Islands.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of 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 Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders are interested in more than 10% of the Shares then in issue:

Name	Number of Shares	Percentage holding
CCAA Group Limited	996,360,748	74.29%

Note:

1. As at the Latest Practicable Date, CCAA Group Limited (“CCAA”), an associated corporation (within the meaning of Part XV of the SFO) of the Company, was directly interested in 996,360,748 Shares in, representing approximately 74.29% of, the issued share capital of the Company. Mr. CHENG Wai Lun, Andrew and Ms. CHENG Wai Ling, Annie, executive Directors and their family members are the beneficiaries of the trust which assets include interests in the entire issued share capital of CCAA and accordingly, they are deemed to be interested in 996,360,748 Shares and the entire issued share capital of CCAA under the SFO.

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

Name	Percentage holding
CCAA	82.54%

On the basis of the current shareholdings of above Shareholders, an exercise of the Repurchase Mandate in full will not result in CCAA and its parties acting in concert (including but not limited to Mr. CHENG Wai Lun, Andrew and Ms. CHENG Wai Ling, Annie) becoming obliged to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of the above Shareholders, or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

Details of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

Executive Director

Mr. CHENG Wai Lun, Andrew (“**Mr. Cheng**”), aged 43, was appointed as an executive Director for 9 years since 16th July 2007. He obtained his bachelor’s degree from the California State University, USA. He has over eighteen years’ experience in securities, corporate finance and direct investment. He is also an executive director of UBA Investments Limited (Stock Code: 768).

As at the Latest Practicable Date, CCAA, being the substantial shareholder of the Company, is interested in 996,360,748 Shares, representing 74.29% of the issued share capital of the Company within the meaning of Part XV of the SFO. Mr. Cheng is one of the beneficiaries of a trust which assets include interests in the entire issued share capital of CCAA (the “**Trust**”). Mr. Cheng is the brother of Ms. Cheng Wai Ling, Annie, an executive Director. Ms. Cheng Wai Ling, Annie is also one of the beneficiaries of the trust.

Save as disclosed above, Mr. Cheng did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling shareholders of the Company. Mr. Cheng does not have, and is not deemed to have, any other interests or short positions in any Shares, underlying shares or debentures (as defined under Part XV of the SFO) of the Company.

The Company has not entered into a service contract with Mr. Cheng. For the financial year ended 31st March 2016, he is entitled for an emolument of HK\$296,418 per annum which included commission income derived through the Company’s subsidiaries under normal commercial terms from time to time. The amount of the annual emoluments for Mr. Cheng was determined by the Board with reference to his experience, responsibilities and duties as well as the prevailing market conditions and commission income is derived through the Company’s subsidiaries under normal commercial terms from time to time. His appointment is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the Articles of Association, every Director shall be subject to retirement at least once every three years.

There is no information relating to Mr. Cheng that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Saved as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange.

Non-executive Director

Dr. SZE Ping Fat (“Dr. Sze”), aged 58, was appointed as a non-executive Director for 8 years since 2nd December 2008. Dr. Sze is a legal practitioner in Sydney and Melbourne having obtained the Doctorate in Juridical Science from Deakin Law School in Melbourne as well as Master’s degrees in law from Trinity College Dublin, the University of Leuven and the University of Sydney. He was appointed a Justice of the Peace in and for New South Wales in 1996 and elected a Member of the National Institute of Accountants (with a Master’s degree in Professional Accounting from the University of Southern Queensland) in 1997, a Visiting Fellow of Clare Hall in the University of Cambridge in 2002, a Fellow of the Malaysian Institute of Arbitrators in 2003, a Life Member of the Norfolk Island Bar Association in 2007, a Member of the Society of Trust and Estate Practitioners and a Fellow of the Chartered Institute of Arbitrators in 2008, a Full Fellow of the Society for Advanced Legal Studies in the University of London in 2009, a Special Member of the International Association of Prosecutors (The United Nations) in 2014 and a Member of the Magistrates’ Association of Great Britain in 2015.

Dr. Sze specializes in criminal and commercial matters. Since 2007, he has been a Visiting Professor of the IMO International Maritime Law Institute (The United Nations). He has authored a treatise on carrier’s liability, several monographs for The International Encyclopedia of Laws, and more than 60 articles in the areas of public law, business law and international trade law. Most recently, he was commissioned by the University of Oxford to produce a biography of the late Sir Denys Roberts, a former Chief Justice of Hong Kong. In 2005 and 2008, he served as a PhD thesis examiner at Macquarie Law School in Sydney. Save as disclosed above, Dr. Sze does not hold directorship in any other listed public companies in Hong Kong or overseas during the past three years.

Save as disclosed above, Dr. Sze did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling shareholders of the Company. Dr. Sze does not have, and is not deemed to have, any other interests or short positions in any Shares, underlying shares or debentures (as defined under Part XV of the SFO) of the Company.

The Company has not entered into a service contract with Dr. Sze. He is entitled to receive an annual director’s fee of HK\$50,000. The fee was set by the remuneration committee of the Company with reference to the duties and responsibilities within the Company and prevailing market conditions. of Association. Pursuant to the Articles of Association, every Director shall be subject to retirement at least once every three years.

There is no information relating to Dr. Sze that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange.

Independent non-executive Director

Mr. POON Kai Tik (“**Mr. Poon**”), aged 63, was appointed as an independent non-executive Director, and Mr. Poon act as member of the audit committee, chairman of the remuneration committee and chairman of the nomination committee of the Company respectively for 5 years since 22nd July 2011. Mr. Poon graduated from the University of Hong Kong with a Bachelor Degree in Arts and a Master’s Degree in Business Administration from the Chinese University of Hong Kong. Having more than 39 years of working experience, Mr. Poon is well respected across industries, ranging from advertising, marketing to public relations. He previously served as Head of Corporate Communications of the Hospital Authority, Assistant Director of Corporate and Community Relations for the Housing Authority and Director Government and Community Engagement of the Link Real Estate Investment Trust (Stock code: 823).

Save as disclosed above, Mr. Poon did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not have any relationship with any Directors, senior management, substantial Shareholders or controlling shareholders of the Company. Mr. Poon does not have, and is not deemed to have, any other interests or short positions in any Shares, underlying shares or debentures (as defined under Part XV of the SFO) of the Company.

The Company has not entered into a service contract with Mr. Poon and he is entitled to receive an annual director’s fee of HK\$50,000. The fee was set by the remuneration committee of the Company with reference to the duties and responsibilities within the Company and prevailing market conditions. His appointment is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the Articles of Association, every Director shall be subject to retirement at least once every three years.

There is no information relating to Mr. Poon that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

Save as disclosed herein, there is no other matters that needs to be brought to the attention of the Shareholders and the Stock Exchange.

NOTICE OF AGM



UPBEST GROUP LIMITED

美建集團有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 335)

NOTICE IS HEREBY GIVEN that an annual general meeting of Upbest Group Limited (the “**Company**”) will be held at 2nd Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong on Wednesday, 31st August 2016 at 10:30 a.m., to transact the following ordinary business:

1. to receive and consider the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31st March 2016;
2. to declare and approve a final dividend for the year ended 31st March 2016 of HK3.0 cents per share of HK\$0.01 each (the “**Share(s)**”) of the Company;
3.
 - (a) to re-elect Mr. CHENG Wai Lun, Andrew as executive Director;
 - (b) to re-elect Dr. SZE Ping Fat as non-executive Director;
 - (c) to re-elect Mr. POON Kai Tik as independent non-executive Director; and
 - (d) to authorize the board of Directors to fix the remuneration of the Directors;
4. to re-appoint Li, Tang, Chen & Co. Certified Public Accountants (Practising) as the auditors of the Company and to authorize the board of Directors to fix their remuneration;

and considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

5. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued Share(s) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

* For identification purpose only

NOTICE OF AGM

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period (as defined below);
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing and the new share option schemes of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “**Articles**”) in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the number of issued Shares of the Company as at the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorized by a separate ordinary resolution of the shareholders (the “**Shareholders**”) of the Company) the number of Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of issued Shares of the Company as at the date of the passing of the resolution no. 6),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 the Articles, the Companies Law (Law 3 of 1961, as consolidated and revised) (the “**Companies Law**”) or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution;

NOTICE OF AGM

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognized regulatory body or any stock exchange outside Hong Kong).”

6. **“THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Law and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period (as defined below) shall not exceed 10 per cent. of the number of issued Shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, **“Relevant Period”** means the period from the date of 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 the Articles, the Companies Law or any other applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this resolution.”

7. **“THAT** the Directors be and are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 5 above in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

NOTICE OF AGM

and, as special business, considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company:

8. **“THAT**

- (a) the authorised share capital of the Company be and is hereby increased from from HK\$30,000,000 divided into 3,000,000,000 Shares of HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each (the **“Increase in Authorised Share Capital”**);
- (b) the Director be and is/are hereby authorised for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts or things deemed by him/them to be incidental to, ancillary to or in connection with the matters contemplated in and for completion of the Increase in Authorised Share Capital.”

9. **“THAT** conditional upon the Stock Exchange granting the listing of, and permission to deal in, the new Shares to be issued pursuant to this resolution:

- (a) an amount standing to the credit of the share premium account of the Company which is equivalent to the aggregate nominal amount of the Bonus Shares (as defined below) to be issued by the Company be capitalised and the Directors be and are hereby authorised to apply such amount in paying up in full at par such number of new Shares (the **“Bonus Shares”**) on the basis of one (1) Bonus Share for every one (1) existing Share in issue on the Record Date (as defined below), and the Directors be authorised to allot, issue and distribute the Bonus Shares, which are credited as fully paid, to the members of the Company whose names appear on the principal or branch register of members of the Company in Hong Kong (the **“Register of Members”**) as at the close of business on 7th September 2016 (or such other record date as the Directors may determine) (the **“Record Date”**), other than those members (the **“Prohibited Shareholders”**) whose addresses as shown on the Register of Members at the close of business on the Record Date are in a jurisdiction outside Hong Kong and in respect of whom the Directors consider the exclusion from the Bonus Issue (as defined below) to be necessary or expedient in accordance with the Listing Rules and the memorandum of association of the Company and the Articles (if any), on the basis of one (1) Bonus Share for every one (1) existing Share then held by them respectively (the **“Bonus Issue”**), and the Directors be authorised to settle, as they consider appropriate, any difficulty in regard to any distribution of the Bonus Shares;
- (b) the Bonus Shares to be issued pursuant to this resolution shall, subject to the memorandum of association of the Company and the Articles, rank *pari passu* in all respects with the existing issued Shares as at the date of the allotment and issue of the Bonus Shares;

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- (c) the Directors be and are hereby authorised to arrange for the Bonus Shares which would otherwise have been issued to the Prohibited Shareholders, if any, to be sold in the market as soon as practicable after dealings in the Bonus Shares commence, and distribute the net proceeds of sale, after deduction of expenses, in Hong Kong dollars to the Prohibited Shareholders, if any, pro rata to their respective shareholdings and to post to them the remittances therefor at their own risk, unless the amount to be distributed to any such persons is less than HK\$100, in which case the Directors be and are hereby authorized to retain such amount for the benefits of the Company; and
- (d) the Directors be and are hereby authorized to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus Shares.”

By Order of the Board
Upbest Group Limited
NG Kam Por, Garry
Company Secretary

Hong Kong, 29th July 2016

Registered office:

P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Principal place of business:

2nd Floor
Wah Kit Commercial Centre
300 Des Voeux Road Central
Hong Kong

Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the Articles, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company at 2nd Floor, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish.
3. For the purposes of determining the eligibility of the Company's shareholders to attend and vote at the forthcoming annual general meeting (the “AGM”), and the entitlement to the final dividend, the details of the record date and the closure of register of members are set out below:
 - (i) For determining eligibility to attend and vote at the forthcoming AGM:

Latest time to lodge transfer documents for registration 4:00 p.m. on 26th August 2016

Closure of register of members, no transfer of shares will be registered 29th August 2016 to
31st August 2016
(both days inclusive)

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- (ii) For determining eligibility to the entitlements to the final dividend and bonus issue:

Latest time to lodge transfer documents for registration 4:00 p.m. on 5th September 2016

Closure of register of members, no transfer of shares will be registered 6th September 2016 to
7th September 2016
(both days inclusive)

Record date 7th September 2016

All transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than the aforementioned latest time.

4. For determining the entitlement to receive the proposed final dividend and bonus issue, the register of members of the Company will be closed from 6th September 2016 to 7th September 2016 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to receive the proposed final dividend and bonus issue, all transfer of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on 5th September 2016.
5. In relation to proposed resolution no. 2 above, the final dividend comprises a cash dividend of HK3.0 cents per share to be payable to the shareholders of the Company whose names appear on the register of members of the Company as at 7th September 2016.
6. In relation to proposed resolutions nos. 5 and 9 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorize the allotment and issue of Shares under the Listing Rules. The Directors have no immediate plans to issue any new Shares of the Company other than Shares which may fall to be issued under the share option scheme of the Company which may be approved by shareholders.
7. In relation to proposed resolution no. 6 above, the directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to this circular.
8. The Chinese translation of this notice is for reference only, and in case of any inconsistency, the English version shall prevail.