

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 Group Sense (International) Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



GROUP SENSE (INTERNATIONAL) LIMITED

權智(國際)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00601)

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

The notice convening the 2014 annual general meeting of Group Sense (International) Limited (“**Company**”) to be held at Rooms 13–24, 2/F., Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong on Thursday, 11 September 2014 at 10:00 a.m. is set out on pages 11 to 13 of this circular.

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

* For identification purpose only

CONTENTS

	<i>Page</i>
LETTER FROM THE BOARD	1
APPENDIX I — EXPLANATORY STATEMENT	5
APPENDIX II — BRIEF BIOGRAPHICAL DETAILS OF DIRECTORS	8
APPENDIX III — NOTICE OF ANNUAL GENERAL MEETING	11



GROUP SENSE (INTERNATIONAL) LIMITED

權智(國際)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00601)

Executive Directors:

TAM Wai Ho, Samson JP (*Chairman*)
TAM Wai Tong, Thomas (*Managing Director*)
TAM Mui Ka Wai, Vivian
Kazuhiro OTANI
LEE Koon Hung

Non-executive Director:

LUK Chui Yung, Judith

Independent Non-executive Directors:

WONG Kon Man, Jason
FUNG Henry
LI Chi Kwong

Registered Office:

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Principal Office:

Rooms 13–24, 2/F.
Sino Industrial Plaza
9 Kai Cheung Road
Kowloon Bay, Kowloon
Hong Kong

28 July 2014

To the shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the annual general meeting of the Company (“AGM”) to be held on Thursday, 11 September 2014 at 10:00 a.m., which include, inter alia, (i) the ordinary resolutions granting the directors of the Company (“Directors”) general mandates to issue and repurchase shares of the Company (“Shares”) and (ii) the ordinary resolutions in respect of re-election of the retiring Directors.

* For identification purpose only

LETTER FROM THE BOARD

GENERAL MANDATES TO REPURCHASE SHARES AND ISSUE NEW SHARES

At the AGM, relevant resolutions will be proposed by the Company to grant the Directors the general mandates (i) to repurchase up to 10% of the aggregate nominal amount of share capital of the Company in issue as at the date of passing of the relevant resolution (“**Repurchase Mandate**”); (ii) to allot and issue Shares up to 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of passing the relevant resolution (“**Issue Mandate**”) and (iii) to extend the Issue Mandate by adding any Shares repurchased by the Company pursuant to the Repurchase Mandate.

As at the latest practical date prior to the printing of this circular (i.e. 18 July 2014, the “**Latest Practical Date**”), a total of 1,197,663,029 Shares were in issue. Subject to the passing of the proposed resolutions granting the Repurchase Mandate and the Issue Mandate to the Directors and on the basis that no Share will be issued and/or repurchased by the Company prior to the AGM, the Company will be allowed to repurchase up to 119,766,302 Shares and to issue up to 239,532,605 Shares under the Repurchase Mandate and the Issue Mandate respectively. Similar mandates previously granted to the Directors at the annual general meeting of the Company held on 11 September 2013 will be expired at the close of this AGM. Therefore, it is proposed to seek approval from the shareholders of the Company (“**Shareholders**”) by way of ordinary resolutions to be put at the AGM to approve the grant of the Repurchase Mandate and the Issue Mandate.

An explanatory statement, as required by Rule 10.06(1)(b) of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), containing the requisite information to enable the Shareholders to make an informed decision on whether to vote for or against the Repurchase Mandate is set out in Appendix I to this circular.

With reference to such new proposed general mandates, the Directors wish to state that they have no immediate plans to issue any new Shares or repurchase any Shares pursuant to the relevant mandates.

RE-ELECTION OF DIRECTORS

In accordance with Bye-law 87 of the Bye-laws of the Company (“**Bye-laws**”), Mr. Tam Wai Tong, Thomas, Mr. Lee Koon Hung and Mr. Wong Kon Man, Jason (“**Mr. Wong**”) will retire by rotation and, being eligible, offer themselves for re-election at the AGM. Also, pursuant to Bye-law 86(2) of the Bye-laws, Dr. Li Chi Kwong (“**Dr. Li**”) will hold office until the AGM after his appointment as Independent Non-executive Director of the Company on 11 September 2013 and, being eligible, offer himself for re-election at the AGM. Brief biographical details of the aforesaid Directors, which are required to be disclosed by the Listing Rules, are set out in Appendix II to this circular.

Mr. Wong was appointed as Independent Non-executive Director of the Company for more than nine years since September 2004. Pursuant to Code Provision A.4.3 of the Corporate Governance Code, (a) having served the company for more than nine years could be relevant to

LETTER FROM THE BOARD

the determination of an independent non-executive director's independence; and (b) if an independent non-executive director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders.

The Company has received from Mr. Wong a confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and Mr. Wong has not involved in any executive management of the Company. Taking into consideration of his independent scope of works in the past years, the Directors consider Mr. Wong still be independent under the Listing Rules despite the fact that he has been serving the Company for more than nine years.

Dr. Li is the cousin of Mr. Fung Henry ("**Mr. Fung**"), another Independent Non-executive Director of the Company. Notwithstanding this, Dr. Li does not have any financial or business connection with Mr. Fung and the relative relationship between Dr. Li and Mr. Fung is quite remote. In addition, Dr. Li has issued to the Company a confirmation confirming his independence pursuant to Rule 3.13 of the Listing Rules, so the Company considers Dr. Li still be independent.

Mr. Wong and Dr. Li possess of the relevant financial and technical knowledge respectively. The Directors believe that such professional knowledge will have positive contribution to the Group's business development. Thus, separate resolutions will be proposed by the Company at the AGM to re-elect Mr. Wong and Dr. Li as Directors.

ANNUAL GENERAL MEETING

A notice convening the AGM to be held at Rooms 13–24, 2/F., Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong on Thursday, 11 September 2014 at 10:00 a.m. is set out in Appendix III to this circular.

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

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the Company will procure that the chairman of the AGM shall demand voting on all resolutions set out in the notice of the AGM be taken by way of poll.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy who is entitled to more than one vote need not use all his votes or cast all his votes in the same way.

LETTER FROM THE BOARD

After the conclusion of the AGM, the poll results will be published on the websites of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> and of the Company at <http://www.gsl.com.hk>.

RECOMMENDATION

The board of Directors (“**Board**”) considers that the ordinary resolutions, inter alia, granting the Directors general mandates to issue and repurchase Shares and the re-election of the retiring Directors as set out in the notice of AGM are all in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend you to vote in favour of such resolutions at the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. In case of any inconsistency between the English and Chinese versions of this circular, the English version shall prevail.

Yours faithfully,
For and on behalf of the Board of
Group Sense (International) Limited
Dr. Tam Wai Ho, Samson JP
Chairman

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,197,663,029 Shares of HK\$0.10 each. Subject to the passing of the relevant ordinary resolution and on the basis that no Share is issued prior to the AGM on Thursday, 11 September 2014, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 119,766,302 Shares.

2. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as it provides flexibility for the Directors to repurchase the Shares from the market whenever it is necessary to do so. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net value of the Company's shares and assets and/or its earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purposes in accordance with its Memorandum of Association and Bye-laws and the applicable laws of Bermuda. Bermuda law provides that the amount of capital repaid in connection with a Share repurchase may only be paid out of either the capital paid up on the relevant Shares, or the funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of Shares made for repurchase purpose. The amount of premium payable on repurchase may be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or the Share premium account of the Company.

There may be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 March 2014) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. INTENTION AND UNDERTAKING

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention, if the Repurchase Mandate is approved, to sell any Shares to the Company.

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

No 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 do so, in the event that the Company is authorised to make repurchase of Shares.

5. SHARE REPURCHASE BY THE COMPANY

In the six months immediately preceding the Latest Practicable Date, the Company had not repurchased any Shares on the Stock Exchange or otherwise.

6. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers ("**Takeovers Code**"). Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, 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, Earnmill Holdings Limited ("**Earnmill**") was the registered holder of 537,877,118 Shares, representing approximately 44.91% of the total issued share capital of the Company. Earnmill is a company which is owned by Kiteway Assets Limited ("**Kiteway**") and TTNB Profits Limited ("**TTNB**") in equal shares. Kiteway and TTNB in turn are wholly-owned by Dr. Tam Wai Ho, Samson JP and Mr. Tam Wai Tong, Thomas respectively. Dr. Tam Wai Ho, Samson JP, Mr. Tam Wai Tong, Thomas and Mrs. Tam Mui Ka Wai, Vivian also have personal interests in the Shares of approximately 2.65%, 2.90% and 0.19% respectively. Assuming no change in Earnmill's shareholdings, in the event that the Directors exercise in full the power to repurchase the Shares, the shareholding of Earnmill would be increased from approximately 44.91% to approximately 49.90%. Such increase would give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors have no present intention to repurchase the Shares to the extent that (i) an obligation under the Takeovers Code to make a mandatory offer will be triggered or (ii) the number of Shares in the hands of the public will fall below the prescribed minimum level of 25%.

7. SHARE PRICES

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

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
July 2013	0.180	0.150
August 2013	0.260	0.148
September 2013	0.194	0.174
October 2013	0.228	0.184
November 2013	0.215	0.182
December 2013	0.350	0.192
January 2014	0.265	0.202
February 2014	0.275	0.208
March 2014	0.285	0.224
April 2014	0.244	0.210
May 2014	0.233	0.203
June 2014	0.248	0.211
July 2014 (From 1 July 2014 to the Latest Practicable Date)	0.245	0.215

The following are the brief biographical details of the Directors who are proposed to be re-elected at the AGM:

Mr. TAM Wai Tong, Thomas (“**Mr. Tam**”), aged 52, is the Managing Director of the Company and one of the founders of the Group. He is responsible for the overall marketing and sales strategies of the Group’s products. Mr. Tam has a Diploma in Electronic Engineering from the Hong Kong Polytechnic University. He has over twenty-nine years of experience in marketing electronic components and consumer electronic products. He received “Advanced Technology Development Award” of “Capital Magazine’s Outstanding Information Technology and Financial Enterprise Awards” in August 2001. Save for being the Managing Director of the Company and a director of certain subsidiaries of the Group, Mr. Tam has not held any directorship in other listed companies in the last three years.

Mr. Tam is the elder brother of Dr. Tam Wai Ho, Samson JP, the Chairman of the Company and the brother-in-law of Mrs. Tam Mui Ka Wai, Vivian, an Executive Director of the Company. As at the Latest Practicable Date, Mr. Tam has personal interests in 34,732,000 Shares (of which 25,732,000 Shares are jointly owned with Dr. Tam Wai Ho, Samson JP) and corporate interests in 537,877,118 Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “**SFO**”). The service agreement entered into between the Company and Mr. Tam (“**Mr. Tam’s Service Agreement**”) provides for no specific term of services, but subject to retirement and re-election in accordance with the Bye-laws. The appointment of Mr. Tam may be terminated by either the Company or Mr. Tam by giving at least six months’ prior written notice to the other party. Pursuant to Mr. Tam’s Service Agreement and subject to review by the Remuneration Committee of the Company from time to time, Mr. Tam is entitled to the remuneration and other fringe benefits of approximately HK\$2,587,000 per annum, which was determined with reference to the then prevailing market rate, financial results of the Company and Mr. Tam’s individual working performance in the Group. The total remuneration package received by Mr. Tam in the financial year ended 31 March 2014 was approximately HK\$2,790,000.

Save as disclosed above, Mr. Tam does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company and does not have interests in Shares within the meaning of Part XV of the SFO. Mr. Tam is not aware of any information required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules.

Mr. LEE Koon Hung (“**Mr. Lee**”), aged 51, joined the Group in 1988 and was appointed as Executive Director of the Company in April 1998. He is one of the members of the Share Option Committee of the Company. Mr. Lee is responsible for the personal communication products business of the Group. He is also responsible for overseeing the operation of the Information Technology Department of the Group since September 2013. Mr. Lee graduated from the Hong Kong Polytechnic University with Higher Certificate in Electronic Engineering and obtained a Bachelor’s degree in Computer Science from Asia International Open University and a Master of Science’s degree in Engineering Business Management from the University of Warwick, United Kingdom. He has thirty years of experience in electronic product development. Save for being an Executive Director of the Company and a director of certain subsidiaries of the Group, Mr. Lee has not held any directorship in other listed companies in the last three years.

Mr. Lee is the husband of Ms. Luk Chui Yung, Judith, a Non-executive Director of the Company. As at the Latest Practicable Date, Mr. Lee has personal interests in 1,676,000 Shares within the meaning of Part XV of the SFO. The service agreement entered into between the Company and Mr. Lee (“**Mr. Lee’s Service Agreement**”) provides for no specific term of services, but subject to retirement and re-election in accordance with the Bye-laws. The appointment of Mr. Lee may be terminated by either the Company or Mr. Lee by giving at least six months’ prior written notice to the other party. Pursuant to Mr. Lee’s Service Agreement and subject to review by the Remuneration Committee of the Company from time to time, Mr. Lee is entitled to the remuneration and other fringe benefits of approximately HK\$1,226,000 per annum, which was determined with reference to the then prevailing market rate, financial results of the Company and Mr. Lee’s individual working performance in the Group. The total remuneration package received by Mr. Lee in the financial year ended 31 March 2014 was approximately HK\$1,235,000.

Save as disclosed above, Mr. Lee does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company and does not have interests in Shares within the meaning of Part XV of the SFO. Mr. Lee is not aware of any information required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules.

Mr. WONG Kon Man, Jason (“**Mr. Wong**”), aged 50, joined the Company as an Independent Non-executive Director in September 2004. He is the chairman of the Remuneration Committee, and a member of the Audit Committee and Nomination Committee of the Company. Mr. Wong graduated from The University of Hawaii with a Bachelor’s degree in Business Administration majoring in Accounting. He is a member of the Hong Kong Institute of Certified Public Accountants and the American Institute of Certified Public Accountants and has over nineteen years of experience in accounting and auditing. At present, Mr. Wong is the managing director of Fortune Capital Group Limited. He is also an independent non-executive director of Neo-Neon Holdings Limited, a company listed on the Main Board of the Stock Exchange. Mr. Wong was an independent director of China Shen Zhou Mining & Resources, Inc., a company listed on the American Stock Exchange, during the period from July 2009 to December 2011 and an independent non-executive director of Polyard Petroleum International Group Limited, a company listed on the Growth Enterprise Market of the Stock Exchange, during the period from May 2010 to October 2013. Apart from being an Independent Non-executive Director of the Company, Mr. Wong does not hold other positions with any other members of the Group. Save as disclosed herein, he has not held any directorship in other listed companies in the last three years.

As at the Latest Practicable Date, Mr. Wong does not have any interest in the Shares within the meaning of Part XV of the SFO. Under the letter of appointment entered into between the Company and Mr. Wong (“**Mr. Wong’s Appointment Letter**”), his appointment is fixed for a specific term and is subject to retirement and re-election in accordance with the Bye-laws. The appointment of Mr. Wong may be terminated by Mr. Wong by giving the Board 90 days’ prior written notice or by the Company by summary notice in writing if the Board, in its reasonable opinion, believes that Mr. Wong or any of his businesses or business dealings are no longer independent from the Company or any of its subsidiaries or associated companies. Pursuant to Mr. Wong’s Appointment Letter, Mr. Wong is entitled to a director’s fee of HK\$128,000 per annum which was determined by reference to the then prevailing

market rate and is subject to be reviewed by the Board from time to time. Mr. Wong is not entitled to any bonus of the Company under his appointment as Independent Non-executive Director.

Save as disclosed above, Mr. Wong does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company and he is not aware of any information required to be disclosed pursuant Rule 13.51(2)(h) to (v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules.

Dr. Li Chi Kwong (“**Dr. Li**”), aged 61, joined the Company as Independent Non-executive Director in September 2013. He is also the chairman of the Audit Committee of the Company. Dr. Li holds a Doctor of Philosophy degree from the University of Westminster in the United Kingdom and a Master of Science degree in Cybernetics from the London University in the United Kingdom. He also holds numerous professional qualifications in engineering, including Chartered Engineer, Registered Professional Engineer, Member of the Institute of Mechanical Engineers, Senior Member of the Institute of Electrical and Electronic Engineers Inc., and Fellow of the Institute of Engineering and Technology, Hong Kong Institute of Engineers as well as Hong Kong Association of the Advancement of Science and Technology.

Dr. Li was an Associate Professor in the Department of Electronic and Information Engineering in the Hong Kong Polytechnic University from years 1985 to 2012. After obtaining over thirty-six years of experience in the academic field and the engineering industry, he sets up a private consultant company serving a number of engineering companies. He has published over 150 technical papers in international journals and conferences and obtained a number of patents. Dr. Li also serves in many professional and government committees. Currently, Dr. Li is an independent non-executive director of Daisho Microline Holdings Limited, a company listed on the Main Board of the Stock Exchange. Apart from being an Independent Non-executive Director of the Company, Dr. Li does not hold other positions with any other members of the Group. Save as disclosed herein, he has not held any directorship in other listed companies in the last three years.

Dr. Li is the cousin of Mr. Fung Henry, an Independent Non-executive Director of the Company. As at the Latest Practicable Date, Dr. Li does not have any interest in the Shares within the meaning of Part XV of the SFO. Under the letter of appointment entered into between the Company and Dr. Li (“**Dr. Li’s Appointment Letter**”), his appointment is fixed for a specific term and is subject to retirement and re-election in accordance with the Bye-laws. The appointment of Dr. Li may be terminated by Dr. Li by giving the Board 90 days’ prior written notice or by the Company by summary notice in writing if the Board, in its reasonable opinion, believes that Dr. Li or any of his businesses or business dealings are no longer independent from the Company or any of its subsidiaries or associated companies. Pursuant to Dr. Li’s Appointment Letter, Dr. Li is entitled to a director’s fee of HK\$128,000 per annum which was determined by reference to the then prevailing market rate and is subject to be reviewed by the Board from time to time. Dr. Li is not entitled to any bonus of the Company under his appointment as Independent Non-executive Director.

Save as disclosed above, Dr. Li does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company and he is not aware of any information required to be disclosed pursuant Rule 13.51(2)(h) to (v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders pursuant to Rule 13.51(2)(w) of the Listing Rules.

**GROUP SENSE (INTERNATIONAL) LIMITED****權智(國際)有限公司****(Incorporated in Bermuda with limited liability)*

(Stock Code: 00601)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Group Sense (International) Limited (“**Company**”) will be held at Rooms 13–24, 2/F., Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong on Thursday, 11 September 2014 at 10:00 a.m. for the following purposes:

ORDINARY BUSINESSES

1. To receive and adopt the audited financial statements and the reports of the Directors and independent auditors for the year ended 31 March 2014;
2. To re-elect Directors and to authorise the Board to fix their remuneration; and
3. To re-appoint auditors and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS

4. As special business, to consider and, if thought fit, to pass each of the following resolutions as an ordinary resolution:

(A) **“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or on any other stock exchange on which the shares of the Company (the “**Shares**”) may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;
- (b) the aggregate nominal amount of the Shares to be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal value of the share capital of the Company in issue at the date of passing of this resolution and the authority pursuant to paragraph (a) shall be limited accordingly; and

* For identification purpose only

- (c) for the purpose 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; or
 - (ii) the expiry of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company (“**Bye-laws**”) or any applicable law to be held; or
 - (iii) the date of passing of an ordinary resolution by shareholders of the Company (“**Shareholders**”) in general meeting revoking or varying the approval and authority given to the Directors by this resolution (Note (2)).”

(B) “**THAT**

- (a) a general mandate be and is hereby unconditionally granted to the Directors to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to issue, allot and deal with additional Shares in the capital of the Company (including making and granting offers, agreements and options which would or might require Shares to be issued, allotted or dealt with, whether during the continuance of such mandate or thereafter), otherwise than pursuant to:
- (i) a rights issue where Shares are offered to Shareholders on a fixed record date in proportion to their then holdings of Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard, as appropriate, to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or stock exchange in, or in any territory outside, Hong Kong); or
 - (ii) any share option scheme or similar arrangement established by the Company and approved by the Stock Exchange; or
 - (iii) any issue of Shares upon the exercise of subscription rights attaching to any warrants of the Company; or
 - (iv) any scrip dividend scheme or similar arrangement implemented in accordance with the Bye-laws.
- (b) the aggregate nominal value of the share capital to be issued, allotted or dealt with pursuant to the authority granted under paragraph (a) of this resolution shall not in aggregate exceed 20% of the aggregate nominal value of the share capital of the Company in issue at the date of passing of this resolution; and

- (c) for the purpose 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; or
 - (ii) the expiry of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable law to be held; or
 - (iii) the date of passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the approval and authority given to the Directors by this resolution (Notes (2) and (4)).”
- (C) “**THAT** conditional upon the passing of the Resolution Nos. 4(A) and 4(B) above, the aggregate nominal amount of the Shares which shall have been repurchased by the Company pursuant to Resolution No. 4(A) above shall be added to the aggregate nominal amount of the Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Resolution No. 4(B) above, provided that such additional amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution.”

By Order of the Board
Group Sense (International) Limited
Wong Miu Ying, Vivian
Company Secretary

Hong Kong, 28 July 2014

Notes:

- (1) A member entitled to attend and vote at the meeting convened by this notice is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong together with any power of attorney or other authority under which it is signed or a certified copy of that power or authority, not less than 48 hours before the time for holding of the meeting or adjourned meeting.
- (2) Members are advised to read the circular to the Shareholders dated 28 July 2014 which contains an Explanatory Statement in relation to Resolution No. 4 above.
- (3) The Register of Members of the Company will be closed from Monday, 8 September 2014 to Thursday, 11 September 2014, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 5 September 2014.
- (4) Concerning Resolution No. 4(B) above, the Directors wish to state that they have no immediate plans to issue any additional new Shares pursuant to the power to be conferred by this mandate.