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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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Poly Capital Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**POLY CAPITAL HOLDINGS LIMITED****保興資本控股有限公司****(Incorporated in Bermuda with limited liability)*

(Stock Code: 1141)

**PROPOSED BONUS ISSUE OF SHARES
AND
NOTICE OF SPECIAL GENERAL MEETING**

Terms used in this cover page have the same meanings as defined in this circular.

A notice convening the SGM to be held at Taichi Room, Unit 3810, 38/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 14 August 2014 at 9:30 a.m. is set out on pages 9 to 10 of this circular. Whether or not you are able to attend and vote at the SGM, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit to the Company's Hong Kong branch share registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for holding the SGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

* For identification purpose only

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DEFINITIONS

In this circular, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

“Board”	the Board of Directors
“Bonus Issue”	the proposed issue of Bonus Shares to the Qualifying Shareholders on the basis of one (1) Bonus Share for every four (4) existing Shares held on the Record Date
“Bonus Share(s)”	new Share(s) proposed to be allotted and issued pursuant to the Bonus Issue
“Company”	Poly Capital Holdings Limited (Stock Code: 1141), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administration Region of the People’s Republic of China
“Latest Practicable Date”	25 July 2014, being the latest practicable date for ascertaining information contained in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholders”	Overseas Shareholders who are excluded from the Bonus Issue and as detailed in the section headed “Overseas Shareholders” in this circular
“Overseas Shareholder(s)”	holder(s) of Share(s) whose address(es) as shown on the register of members of the Company on the Record Date are outside Hong Kong
“PRC”	the People’s Republic of China
“Qualifying Shareholder(s)”	the Shareholder(s), not being Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date, who are entitled to the Bonus Issue
“Record Date”	Monday, 25 August 2014, being the date by reference to which entitlements to the Bonus Issue will be determined

DEFINITIONS

“SGM”	the special general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve the Bonus Issue
“Share(s)”	ordinary shares of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percentage or per cent

In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

EXPECTED TIMETABLE

Expected Timetable

The expected timetable of the proposed Bonus Issue is set out below:

2014

Despatch of the circular and notice of the SGM	Monday, 28 July
Latest date and time to return form of proxy for the SGM	9:30 a.m., Tuesday, 12 August
Date and time of the SGM	9:30 a.m., Thursday, 14 August
Announcement of the results of the SGM	Thursday, 14 August
Last day of dealings in the Shares on a cum-entitlement basis	Friday, 15 August
First day of dealings in the Shares on an ex-entitlement basis	Monday, 18 August
Latest time for lodging transfers of the Shares for registration in order to qualify for the Bonus Issue	4:30 p.m., Tuesday, 19 August
Closure of register of members	Wednesday, 20 August to Monday, 25 August (both days inclusive)
Record Date	Monday, 25 August
Register of members re-opens	Tuesday, 26 August
Certificates for the Bonus Shares expected to be despatched	Monday, 8 September
Dealings in Bonus Shares commence	Wednesday, 10 September
Designated broker starts to stand in the market to provide for matching services for the sale and purchase of odd lots of Bonus Shares	9:00 a.m., Wednesday, 10 September
Designated brokers ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Bonus Shares	4:00 p.m., Tuesday, 23 September

Note: All times refer to Hong Kong local time.

Dates or deadlines specified above are indicative only and may be amended by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

LETTER FROM THE BOARD



POLY CAPITAL HOLDINGS LIMITED

保興資本控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1141)

Executive Directors:

Mr. Suen Cho Hung, Paul (*Chairman*)
Mr. Sue Ka Lok (*Chief Executive Officer*)
Ms. Lee Chun Yeung, Catherine
Mr. Suen Yick Lun Philip

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Mr. Wong Kwok Tai
Mr. Weng Yixiang
Mr. Huang Zhencheng

*Head office and principal place
of business in Hong Kong:*

Suite 1501, 15th Floor
Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

28 July 2014

To the Shareholders,

Dear Sir or Madam,

PROPOSED BONUS ISSUE OF SHARES AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

The purpose of the circular is to provide you with information regarding the proposed Bonus Issue; and the notice convening the SGM, at which necessary resolution(s) will be proposed to consider, and if thought fit, to approve the proposed Bonus Issue.

PROPOSED BONUS ISSUE OF SHARES

Reference is made to the announcement of the Company dated 18 July 2014 in relation to the Bonus Issue. The Board proposes a bonus issue to the Qualifying Shareholders on the basis of one (1) Bonus Share for every four (4) existing Shares held on the Record Date by the Qualifying Shareholders. The Bonus Shares will be credited as fully paid at par. The terms of the proposed Bonus Issue are set out below.

* For identification purpose only

LETTER FROM THE BOARD

Basis of Bonus Issue

Subject to the conditions as set out under the heading “Conditions of the Bonus Issue” below, the Bonus Shares will be issued and credited as fully paid at par on the basis of one (1) Bonus Share for every four (4) existing Shares held on the Record Date by the Qualifying Shareholders.

On the basis of 3,422,680,402 existing Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or repurchased before the Record Date, it is anticipated that 855,670,100 Bonus Shares will be issued under the Bonus Issue representing approximately 25% of the existing issued share capital as at the Record Date. After the completion of the Bonus Issue, there will be a total of 4,278,350,502 Shares in issue as enlarged by the Bonus Issue. The Bonus Shares will be credited as fully paid by way of capitalisation of an amount in the share premium account of the Company. As at the Latest Practicable Date, the Company has no outstanding options, warrants and convertible securities exercisable into Shares which qualify to participate in the Bonus Issue.

Conditions of the Bonus Issue

The Bonus Issue will be conditional upon:

- (1) the approval of the Bonus Issue by the Shareholders at the SGM;
- (2) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares; and
- (3) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of Bermuda to effect the Bonus Issue.

Application will be made to the Listing Committee of 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 Directors do not propose to make application to any other stock exchanges for the listing of, and permission to deal in, the Bonus Shares.

Status of the Bonus Shares

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

LETTER FROM THE BOARD

Overseas Shareholders

In case if there has been any Overseas Shareholders on or before the Record Date, enquiry will be made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. Overseas Shareholders will not be allotted the Bonus Shares if the Directors consider such exclusion to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place. In such circumstances, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Bonus Shares commences. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and remittances therefore will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company. According to the register of members of the Company as at the Latest Practicable Date, there was one Overseas Shareholder with address located in the PRC. Based on the advice provided by the Company's legal adviser on the laws of the PRC, it is not prohibited under the laws of the PRC to offer the Bonus Shares to the Overseas Shareholder with address located in the PRC and also, the Company is not required to complete any registration or filing with or obtain any approval or consent from the relevant regulatory body or stock exchange of the PRC with respect to the offer of the Bonus Shares, the despatch of this circular to such Overseas Shareholder in the PRC and the receiving of physical Shares certificates by such Overseas Shareholder in the PRC. Therefore, the Directors have decided to extend the Bonus Issue to such Overseas Shareholder with registered address located in the PRC as shown on the register of members of the Company as at the Record Date (if such overseas Shareholder is still a Shareholder on the Record Date) and there was no Non-Qualifying Shareholder as at the Latest Practicable Date.

Overseas Shareholders should note that they may or may not be entitled to the Bonus Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company. Notwithstanding the enquiries made by the Company with its legal advisers, any Shareholder with a registered address outside Hong Kong or otherwise residing outside Hong Kong should consult their professional advisers as to whether they are permitted to receive the Bonus Shares under the Bonus Issue and the taxation consequences of their decision. It is the responsibility of the Shareholders who wishes to receive Bonus Shares under the Bonus Issue to comply with the laws of the relevant jurisdiction(s).

Fractions of Bonus Shares

The Company will not allot any fractions of the Bonus Shares. Bonus Shares representing fractional entitlement will be aggregated and issued to a nominee to be nominated by the Directors. Such Bonus Shares (if any) will be sold and the net proceeds, after deducting the related expenses therefrom, will be retained by the Company for its own benefits.

LETTER FROM THE BOARD

Arrangement for matching service for odd lots

In order to facilitate the trading of odd lots (if any) of the Bonus Shares, a designated broker will be appointed to match the purchase and sale of odd lots of the Bonus Shares at the relevant market price per Bonus Share for the period from 9:00 a.m. on Wednesday, 10 September 2014 to 4:00 p.m. on Tuesday, 23 September 2014 (both dates inclusive). Holders of odd lots of the Bonus Shares should note that successful matching of the sale and purchase of odd lots of the Bonus Shares is not guaranteed. Shareholders who wish to take advantage of this matching service either to dispose of their existing odd lots or top up to board lots of 10,000 Shares after the Bonus Issue becomes effective may contact Mr. Ng Kwai Cho of HEC Securities Limited at 26/F, China United Centre, 28 Marble Road, North Point, Hong Kong at telephone number (852) 3198 0807 during office hours.

Any Shareholder, who is in any doubt about the odd lot arrangement, is recommended to consult his/her/its own professional advisers.

Record Date and closure of register of members

The Bonus Shares will be issued to the Qualifying Shareholders. The register of members of the Company will be closed from Wednesday, 20 August 2014 to Monday, 25 August 2014 (both days inclusive) in order to determine the entitlement of the Shareholders under the Bonus Issue.

Shareholders are reminded that in order to qualify for the Bonus Issue, they must ensure that all transfers accompanied by the relevant Share certificates are lodged with the Hong Kong branch share registrar of the Company, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 19 August 2014.

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

Reasons for the proposed Bonus Issue

In recognition of the continual support of the Shareholders, the Board decides to propose the Bonus Issue as a return to the Shareholders and by this opportunity to allow the Shareholders to participate in the business growth of the Company by way of capitalisation of a portion of the share premium account. In addition, the Directors are aware of the recent increase in stock price of the Company as well as the value of each board lot of Shares. Upon completion of the Bonus Issue, the value of each board lot of Shares will be reduced. Accordingly, the Shareholders and potential investors can enjoy greater flexibility in dealing in the Shares and thus enhancing their liquidity in the market and may possibly be enlarging the Company's shareholder and capital base. The Directors prefer the Bonus Issue to a cash dividend as the Company would like to conserve its book value as well as cash for future business development. Going forward, as a new corporate direction, the Directors will be more inclined to recommend the payment of dividends where appropriate and advantageous to Shareholders as well as to adopt bonus issue as a form of distribution.

LETTER FROM THE BOARD

Certificates for Bonus Shares

It is expected that certificates for the Bonus Shares will be posted by ordinary post on Monday, 8 September 2014 after all the conditions of the Bonus Issue shall have been fulfilled at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date. Dealings in the Bonus Shares are expected to commence on Wednesday, 10 September 2014.

SGM

A notice convening the SGM to be held at Taichi Room, Unit 3810, 38/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 14 August 2014 at 9:30 a.m. is set out on pages 9 to 10 of this circular.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the proposed resolution at the SGM.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend and vote at the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instruction printed thereon to the Company's Hong Kong branch share registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for the holding of the SGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

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 that the Bonus Issue is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all the Shareholders to vote in favour of the relevant resolution(s) to be proposed at the SGM.

By Order of the Board
Poly Capital Holdings Limited
Suen Cho Hung, Paul
Chairman

NOTICE OF SGM



POLY CAPITAL HOLDINGS LIMITED

保興資本控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1141)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Poly Capital Holdings Limited (the “**Company**”) will be held at Taichi Room, Unit 3810, 38/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 14 August 2014 at 9:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of and permission to deal in the new ordinary shares of HK\$0.10 each in the capital of the Company (the “**Shares**”) to be issued pursuant to this resolution:

- (a) the Bonus Issue (as defined and described in the circular of the Company dated 28 July 2014 in relation thereto (the “**Circular**”), the transactions contemplated thereunder and the application of such amount standing to the credit of the share premium account of the Company as would be required to pay up in full at par the new Shares to be issued and distributed to members of the Company whose names appear on the register of members of the Company on the Record Date (as defined in the Circular), in the proportion of one (1) new Share (the “**Bonus Share(s)**”) for every existing four (4) Shares held by a Qualifying Shareholder (as defined in the Circular) on the Record Date be and are hereby approved and the directors of the Company (the “**Directors**”) be and are hereby authorized to allot and issue such Bonus Shares;
- (b) unless otherwise determined by the Directors, no fractional Bonus Shares shall be issued to members of the Company and fractional entitlements will be aggregated and sold for the benefit of the Company;
- (c) the Bonus Shares to be issued pursuant to this resolution shall rank pari passu in all respects with the existing issued Shares; and
- (d) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the Bonus Issue and the transactions contemplated thereunder.”

By Order of the Board
Poly Capital Holdings Limited
Suen Cho Hung, Paul
Chairman

Hong Kong, 28 July 2014

* For identification purpose only

NOTICE OF SGM

Head Office and Principal Place of Business in Hong Kong:

Suite 1501, 15th Floor

Great Eagle Centre

23 Harbour Road

Wanchai

Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the SGM is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A member of the Company who is the holder of two or more Shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the SGM. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation is entitled to exercise the same powers on behalf of the member of the Company which he/she or they represent as such member of the Company could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
3. The instrument appointing a proxy and (if required by the Board of Directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's Hong Kong branch share registrar and transfer office, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for holding the SGM or any adjourned meeting thereof at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the SGM convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the SGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.