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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 Tanrich Financial 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 transferee.

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TANRICH

TANRICH FINANCIAL HOLDINGS LIMITED

敦沛金融控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 812)

- (1) CONDITIONAL SUBSCRIPTION AGREEMENT;
(2) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;
(3) RE-ELECTION OF DIRECTOR;
AND
(4) NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the special general meeting of Tanrich Financial Holdings Limited to be held at Rooms 1601, 1606-1608, 16th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 19 September 2014 at 10:30 a.m. is set out on pages 24 and 26 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of Tanrich Financial Holdings Limited in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as practicable and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so desire.

3 September 2014

* For identification purpose only

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DEFINITIONS

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

“acting in concert”	has the same meaning as ascribed to it under the Takeovers Code
“associate(s)”	has the same meaning as ascribed to it under the Takeovers Code or the Listing Rules, as the context may require from time to time
“Board”	the board of Directors
“Business Day”	a day on which the banks in Hong Kong are open for business, other than Saturdays, Sundays or public holidays
“Bye-law(s)”	the Bye-law(s) of the Company as adopted on 7 January 2002 and as amended from time to time up to 13 November 2012
“Closing Date”	the date to be stated in the composite offer and response document as the first closing date of the Offers or any subsequent closing date(s) as may be announced by the Offeror and approved by the Executive
“Company”	Tanrich Financial Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Share Subscription
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“CSRC”	China Securities Regulatory Commission
“Dr. Yip”	Dr. Yip Man Fan, an executive director of the Company, being one of the Guarantors

DEFINITIONS

“Dr. Yip and Associates”	Dr. Yip, Ms. Tang Yuk Lan (Dr. Yip’s spouse), the discretionary trust of which Dr. Yip and members of his family are beneficiaries and Fame Harvest
“Escrow Agent”	the escrow agent who is engaged to hold the earnest money under the MOU
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Fame Harvest”	a company incorporated in the British Virgin Islands with limited liability and wholly owned by Bank of East Asia (Trustees) Limited as the trustee of the discretionary trust of which Dr. Yip and members of his family are beneficiaries
“GF Securities”	GF Securities (Hong Kong) Brokerage Limited, a corporation licensed to carry on type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Group”	the Company and its subsidiaries
“Guarantors”	Dr. Yip and Mr. Tsunoyama, being the guarantors in the Subscription Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Increase in Authorised Share Capital”	the increase in authorised share capital of the Company from HK\$200,000,000 (divided into 2,000,000,000 Shares) to HK\$400,000,000 (divided into 4,000,000,000 Shares) by the creation of additional 2,000,000,000 Shares
“Independent Board Committee”	the board committee of the Company comprising Mr. Ma, Andrew Chiu Cheung, Mr. Yu King Tin and Mr. Lam Kwok Cheong (being all independent non-executive directors of the Company) to advise the Shareholders and the Option Holders in respect of the Offers

DEFINITIONS

“Independent Financial Adviser”	Oriental Patron Asia Limited, the independent financial adviser appointed by the Independent Board Committee to advise the Independent Board Committee in respect of the Offers
“Independent Third Parties”	a party who has not fallen into the definition of connected persons of the Company under Chapter 14A of the Listing Rules and is independent of the Company and its connected persons of the Company and their associates (as defined in the Listing Rules)
“Joint Announcement”	the announcement jointly published by the Company and the Offeror dated 15 August 2014 in relation to, among others, the Share Subscription, the Increase in Authorised Share Capital and the Offers
“Latest Practicable Date”	1 September 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Lam”	Mr. Lam Kwok Cheong, an independent non-executive Director
“MOU”	the memorandum of understanding entered into between the Company and the Offeror on 13 June 2014 in respect of, among others, the Share Subscription
“Mr. Tsunoyama”	Mr. Tsunoyama Toru, an executive director of the Company, being one of the Guarantors
“Offeror”	Southwest Securities International Investment Limited, a company incorporated in Hong Kong with limited liability
“Offers”	the Share Offer and the Option Offer
“Offer Price”	the amount of HK\$0.58 per Offer Share
“Offer Share(s)”	the Share(s) which are the subject of the Share Offer

DEFINITIONS

“Option Holder(s)”	the holder(s) of the Company’s share options
“Option Offer”	subject to Completion, the unconditional mandatory cash offers to be made by Deloitte & Touche Corporate Finance Limited and Haitong International Securities Company Limited on behalf of the Offeror for the cancellation of the Share Options
“Placing”	the placing of the Shares that the Offeror may acquire through the Offers, on a best effort basis, pursuant to the terms and conditions of the Placing Agreement in order to restore the minimum public float of the Shares as required under the Listing Rules
“Placing Agreement”	the conditional placing agreement dated 1 September 2014 entered into between the Offeror and Haitong International Securities Company Limited in relation to the Placing
“Placing and Underwriting Agreement”	the conditional placing and underwriting agreement dated 15 August 2014 pursuant to which Fame Harvest agreed to engage GF Securities to place 196,600,000 Shares held by Fame Harvest to independent investor(s) on a fully underwritten basis at the Offer Price
“Placing Shares”	being 196,600,000 Shares held by Fame Harvest to be placed by GF Securities to independent investor(s) on a fully underwritten basis at the Offer Price on the terms and subject to the conditions set out in the Placing and Underwriting Agreement
“PRC”	the People’s Republic of China, which for the purpose of this circular only (unless otherwise indicated) excludes Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“SGM”	the special general meeting of the Company to be convened to consider and approve, among other things, the issue of the Subscription Shares, the Increase in Authorised Share Capital and the re-election of Mr. Lam as an independent non-executive Director
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Offer”	subject to Completion, the unconditional mandatory cash offers to be made by Deloitte & Touche Corporate Finance Limited and Haitong International Securities Company Limited on behalf of the Offeror to acquire all the issued Shares (other than those already acquired by or agreed to be acquired by the Offeror or the parties acting in concert with it) at the Offer Price
“Share Option(s)”	the outstanding share option(s) of the Company, each of which entitles the relevant Option Holder to subscribe for a new Share
“Share Option Scheme”	the share option scheme adopted by the Company on 12 November 2013
“Share Subscription”	the subscription of the Subscription Shares by the Offeror pursuant to the Subscription Agreement
“Specific Mandate”	the specific mandate, subject to the Shareholders’ approval, to be granted to the Directors to issue the Subscription Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the conditional subscription agreement dated 11 July 2014 entered into between the Company, the Offeror, Dr. Yip and Mr. Tsunoyama in relation to the Share Subscription
“Subscription Price”	the subscription price of HK\$0.28 per Subscription Share

DEFINITIONS

“Subscription Shares”	being 1,245,124,409 Shares to be subscribed for by the Offeror pursuant to the Subscription Agreement
“SWSC”	Southwest Securities Co., Ltd., a company incorporated in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC in Hong Kong as amended from time to time
“%”	percentage

LETTER FROM THE BOARD

TANRICH

TANRICH FINANCIAL HOLDINGS LIMITED

敦沛金融控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 812)

Executive Directors:

Dr. Yip Man Fan (*Chairman*)
Mr. Kwok Kam Hoi (*Deputy Chairman and
Chief Executive Officer*)
Mr. Tsunoyama Toru
Ms. Wong, Vicky Lai Ping
Mr. Lin Peng

Independent non-executive Directors:

Mr. Ma, Andrew Chiu Cheung
Mr. Yu King Tin
Mr. Lam Kwok Cheong

Registered office:

Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

Head office and principal place

of business in Hong Kong:
Rooms 1601, 1606-1608
16th Floor, Central Plaza
18 Harbour Road
Wanchai
Hong Kong

3 September 2014

To the Shareholders

Dear Sir or Madam,

**(1) CONDITIONAL SUBSCRIPTION AGREEMENT;
(2) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;
(3) RE-ELECTION OF DIRECTOR;
AND
(4) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

We refer to the Joint Announcement whereby the Company and the Offeror jointly announced, among others, that:

- (1) on 11 July 2014, the Company (as issuer) and the Guarantors entered into the Subscription Agreement with the Offeror (as subscriber), pursuant to which the Company has conditionally agreed to issue, and the Offeror has conditionally agreed to subscribe for, 1,245,124,409 Subscription Shares (with an aggregate nominal value of HK\$124,512,440.90) at the Subscription Price of HK\$0.28 per Subscription Share;

* For identification purpose only

LETTER FROM THE BOARD

- (2) the proposed Increase in Authorised Share Capital; and
- (3) subject to fulfillment (or waiver as applicable) of the conditions precedent of the Subscription Agreement and following Completion, pursuant to Rule 26.1 and Rule 13.1 of the Takeovers Code, Deloitte & Touche Corporate Finance Limited and Haitong International Securities Company Limited will, on behalf of the Offeror, make unconditional mandatory cash offers for all issued Shares and Share Options (other than those already acquired or agreed to be acquired by the Offeror or the parties acting in concert with it).

The Shares Subscription and the Increase in Authorised Share Capital require the approval of the Shareholders. Mr. Lam was appointed as an independent non-executive Director on 12 November 2013 to fill a casual vacancy. Pursuant to the Bye-law 86(2), Mr. Lam shall be eligible for re-election at the SGM.

The purpose of this circular is to provide you with, among other things, relevant information on (i) the Share Subscription; (ii) the Increase in Authorised Share Capital; (iii) the re-election of Mr. Lam as an independent non-executive Director; and (iv) notice of the SGM.

SHARE SUBSCRIPTION

On 11 July 2014, the Company (as issuer) and the Guarantors entered into the Subscription Agreement with the Offeror (as subscriber), pursuant to which the Company has conditionally agreed to issue, and the Offeror has conditionally agreed to subscribe for 1,245,124,409 Subscription Shares (with an aggregate nominal value of HK\$124,512,440.90) at the Subscription Price of HK\$0.28 per Subscription Share.

The Offeror has confirmed that it or the parties acting in concert with it did not hold any Shares or any other securities of the Company as at the Latest Practicable Date and the Offeror and SWSC are Independent Third Parties. The Guarantors are substantial shareholders and executive directors of the Company.

Subscription Shares

The Subscription Shares represent (a) approximately 104.50% of the issued share capital of the Company as at the Latest Practicable Date; (b) approximately 51.10% of the enlarged issued share capital of the Company (on the basis that the Subscription Shares are issued and none of the Share Options have been exercised); and (c) approximately 51.00% of the enlarged issued share capital of the Company (on the basis that the Subscription Shares are issued and all Share Options have been exercised).

The Subscription Shares will be allotted and issued under the Specific Mandate which will be subject to the approval of the Shareholders at the SGM. The Subscription Shares (when allotted, issued and fully paid) will rank *pari passu* with the Shares in issue on the date of allotment and issue of the Subscription Shares. An application has been made by the Company for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price of HK\$0.28 per Subscription Share represents:

- a) a discount of approximately 55.56% to the closing price of HK\$0.630 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- b) a discount of approximately 55.13% to the average closing price of approximately HK\$0.624 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Latest Practicable Date;
- c) a discount of approximately 54.98% to the average closing price of approximately HK\$0.622 per Share as quoted on the Stock Exchange for the last ten trading days up to and including the Latest Practicable Date; and
- d) a premium of approximately 105.43% over the consolidated net asset value of the Company of approximately HK\$0.1363 per Share as at 31 December 2013 (based on the latest published interim report's unaudited consolidated net asset value of the Company as at 31 December 2013 and the number of issued Shares as at the Latest Practicable Date).

The price of the Shares increased to HK\$0.485 per Share on 5 June 2014 from HK\$0.305 per Share on 4 June 2014. The Company on 5 June 2014 published an announcement noting the increase in the price and trading volume of the Shares and a possible acquisition of the Shares held by Dr. Yip. The Subscription Price was determined and negotiated on an arm's length basis between the parties with reference to, among others, the market prices of the Shares before the announcement of the Company dated 5 June 2014 where the average closing price for the last five trading days up to and including 4 June 2014 amounted to approximately HK\$0.282 per Share. Having considered the terms of the Subscription Agreement and taking into account the Subscription Price representing a premium of approximately 105.43% over the consolidated net asset value of the Company as at 31 December 2013 and the reasons for the Share Subscription as set out in section headed "Reasons for and benefit of the Share Subscription" below, the Directors (including the independent non-executive directors of the Company) consider that the Share Subscription (including the Subscription Price) is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Conditions precedent

Completion is conditional upon satisfaction (or waiver by the Offeror in the cases of items (c), (d), (g) and/or (h)) of the following conditions by 31 December 2014 (or such later date as the Offeror and the Company may agree in writing):

- a) obtaining all the necessary approvals by the Company from its shareholders, the Stock Exchange and/or any other third parties and/or regulatory authorities in respect of the Share Subscription, the granting of the Special Mandate and the Increase in the Authorised Share Capital of the Company so as to effect the Share Subscription (including the approval for listing of the Subscription Shares);
- b) obtaining all approvals from relevant regulatory authorities and departments by the Offeror and SWSC in respect of the subscription of not less than 51% of the issued share capital of the Company as enlarged by the Share Subscription and the Offers (including but not limited to Chongqing State-Owned Assets Supervision and Administration Commission, the State Administration of Foreign Exchange of the PRC and CSRC);
- c) the execution of non-competition deeds and confidentiality agreements by Dr. Yip, Mr. Tsunoyama and the Company;
- d) the representations, warranties, undertakings and indemnities given by the Company, Dr. Yip and Mr. Tsunoyama under the Subscription Agreement remaining true, complete, accurate and not misleading in all respects up to Completion;
- e) save for temporary suspension in trading in the Shares in relation to the issue of any announcement(s) regarding the Share Subscription, the Shares remaining listed on the Stock Exchange. On or prior to Completion, there being no indication from the Stock Exchange and/or the SFC in relation to delisting of the Shares on the Stock Exchange or objection to the listing status of the Shares and there being no incidents which may adversely affect the listing status of the Shares;
- f) obtaining the approval from the SFC (which shall be unconditional, or shall attach to it only customary conditions and there is no breach of such conditions) allowing the Offeror, SWSC and/or other relevant entities or individuals as required under the SFO to be a substantial shareholder of the Company and its licensed subsidiaries;

LETTER FROM THE BOARD

- g) save for any ordinary changes in personnel of the Company and its subsidiaries from time to time which may lead to temporary suspension in the license(s) granted to the Company, the license(s) held by the Company and its subsidiaries for the regulated activities under the SFO not being revoked, terminated or suspended at Completion; and
- h) to the best knowledge of the Directors, the Company and any of its subsidiaries are not being under investigation by any regulatory authorities and there being no events which may lead to such investigation.

If any of the conditions precedent of the Subscription Agreement is not fulfilled (or waived as applicable) on or before 31 December 2014 or such later date as the Offeror and the Company may agree in writing, the Subscription Agreement shall lapse and become null and void immediately (other than the rights and obligations already accrued). None of the above conditions had been fulfilled or waived as at the Latest Practicable Date.

Other major terms of the Subscription Agreement

Deposit

As set out in the joint announcement of the Company and the Offeror dated 19 June 2014, the Offeror paid HK\$20 million to the Escrow Agent as earnest money. Pursuant to the Subscription Agreement and the relevant escrow agreement with the Escrow Agent, such earnest money became a deposit for the Share Subscription. In case the Subscription Agreement is terminated due to unfulfillment of conditions (a), (b) or (f) above, the deposit of HK\$20 million after deducting (i) the legal and professional fees of no more than HK\$3 million and (ii) any Monthly Payment(s) (as set out below) shall be returned to the Offeror. In case the termination of the Subscription Agreement is due to unfulfillment of conditions other than (a), (b), or (f) above, the deposit of HK\$20 million after deducting any Monthly Payments (as set out below) shall be returned to the Offeror. If the Offeror has not obtained approval from CSRC and the State Administration of Foreign Exchange of the PRC for the Share Subscription and the Offers by 30 September 2014 and in the following months, the Offeror may opt to terminate the Subscription Agreement, or allow the Company to deduct HK\$4.5 million for each month (the “Monthly Payment(s)”) out of the deposit on each of the first Business Day of October 2014, the first Business Day of November 2014 and the first Business Day of December 2014 as working capital.

If the Share Subscription is completed, the deposit of HK\$20 million which includes any Monthly Payments will form part of the payment of the subscription monies payable by the Offeror to the Company under the Subscription Agreement.

LETTER FROM THE BOARD

Non-competition undertaking

Prior to Completion, each of Dr. Yip and Mr. Tsunoyama will enter into a non-competition deed with the Company and the Offeror pursuant to which each of Dr. Yip and Mr. Tsunoyama will undertake that, among others, throughout the two years after the Closing Date, he individually or through any entities in which he is a shareholder or controls the composition of majority of the board members will not engage in any regulated activities under the SFO (save for investment in less than 10% of the equity interest in a listed company of which he is not a member of the board of directors).

Completion

Completion of the Share Subscription is expected to take place on the fifth Business Day after the fulfillment (or waiver, as applicable) of the conditions precedent of the Subscription Agreement set out in the paragraph headed “Conditions precedent” under the section headed “Share Subscription” in this circular. Pursuant to the Subscription Agreement, the parties will endeavour to despatch the composite offer and response document in connection with the Offers to the Shareholders and the Option Holders on the date of Completion and in any event in accordance with the requirements under the Takeovers Code.

On the date of Completion (provided that the conditions precedent to Completion are fulfilled or waived (as applicable) by 31 December 2014 (or such later date as may be agreed by the Offeror and the Company)), the Offeror shall pay to the Company the entire subscription monies less the deposit paid (being HK\$20 million). Subject to the full payment of the entire subscription monies, the Subscription Shares shall be issued and allotted as fully paid on the date of Completion.

Company’s name and trademark

Tanrich (Hong Kong) Holdings Limited (“THKL”) (a company owned by the discretionary trust of which Dr. Yip and members of his family are beneficiaries, the spouse of Dr. Yip and Mr. Tsunoyama as to 80%, 5% and 15% respectively) and the Company entered into a license agreement on 7 January 2002 pursuant to which THKL has granted a license to the Company for the use of a trademark “Tanrich” at nil consideration. Within six months after the Closing Date, the Offeror will procure the Company, its subsidiaries and associated companies to change their names and to cease using the mark of “Tanrich” or “敦沛” after such six-month period.

LETTER FROM THE BOARD

Intended use of proceeds from the Share Subscription

The gross proceeds of the Share Subscription will amount to approximately HK\$348.6 million. The net proceeds of the Share Subscription are estimated to be approximately HK\$328 million, representing approximately HK\$0.26 per Subscription Share.

The Group recorded negative operating cash flow of approximately HK\$15.5 million and approximately HK\$61,000 for the year ended 30 June 2013 and for the six months ended 31 December 2013 respectively. As disclosed in the Company's interim report for the six months ended 31 December 2013, the Group encountered harsh operating environment resulting from increasingly intense market competition. The Offeror intends to continue with the existing business of the Group, namely futures broking, securities broking and margin financing, corporate finance, wealth management and insurance broking, money lending and proprietary trading as the principal activities of the Group after the close of the Offers. The Offeror has no intention to dispose of the Company's existing businesses. Securities broking, trading and other businesses are capital intensive and with a view to improving the liquidity and financial position, in particular, the working capital and cash flow position of the Group and strengthening the Company's cash reserves to facilitate its on-going developments, the net proceeds are planned to be used as general working capital for development of the existing business of the Company in anticipation with recent market development and opportunities, such as Shanghai-Hong Kong Stock Connect under which the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited will enable investors to trade eligible shares listed on the other's market through local securities firms or brokers. Upon Completion, the Offeror will conduct a detailed review on the business operations and financial position of the Group for the purpose of formulating business plans and strategies for the future business development of the Group.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the Latest Practicable Date, the existing authorised share capital of the Company was HK\$200,000,000 divided into 2,000,000,000 Shares of which 1,191,476,000 Shares were in issue and there were Share Options carrying rights to subscribe for an aggregate of 4,820,000 Shares. In light of the Share Subscription, the Board proposes to increase the authorised share capital of the Company from HK\$200,000,000 (divided into 2,000,000,000 Shares) to HK\$400,000,000 (divided into 4,000,000,000 Shares) by the creation of an additional 2,000,000,000 Shares. The Increase in Authorised Share Capital is conditional upon the passing of an ordinary resolution by the Shareholders at the SGM to approve the Increase in Authorised Share Capital.

As set out in the Joint Announcement, subject to market conditions and Tanrich's financing needs, the Offeror may consider conducting various forms of fund-raising exercises (both equity and debt financing) to increase Tanrich's capital. Save for the aforesaid and the Share Subscription, the Company does not have any present intention of issuing any part of the capital as provided under the Increase in Authorised Share Capital.

LETTER FROM THE BOARD

POSSIBLE UNCONDITIONAL MANDATORY CASH OFFERS

Subject to fulfillment (or waiver as applicable) of the conditions precedent of the Subscription Agreement and following Completion, the Offeror will own approximately 51.00% of the enlarged issued Shares (assuming all Share Options have been exercised). Pursuant to Rule 26.1 and Rule 13.1 of the Takeovers Code, the Offeror will be required to make unconditional mandatory cash offers for all issued Shares and Share Options (other than those already acquired or agreed to be acquired by the Offeror or the parties acting in concert with it). Given that as at the Latest Practicable Date, the Offeror or the parties acting in concert with it did not own any Shares or securities in the Company, the Offers will be extended to all the Shareholders (other than the Offeror or the parties acting in concert with it) and the Option Holders. Dr. Yip and Associates intend to accept the Offers in respect of all the Shares held by them (apart from those to be placed under the Placing and Underwriting Agreement). Dr. Yip and Associates did not hold any Share Options as at the Latest Practicable Date.

The Offers will be made by Deloitte & Touche Corporate Finance Limited and Haitong International Securities Company Limited, on behalf of the Offeror, in accordance with the Takeovers Code on the following basis:

The Share Offer

For each Offer Share HK\$0.58 payable in cash

The Offer Shares acquired under the Share Offer shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third-party rights of any nature and together with all rights attaching to them on or after the date on which the Offers are made, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offers are made.

The Option Offer

For cancellation of each of the outstanding 2,400,000
Share Options with exercise price at HK\$0.1675 HK\$0.4125 payable in cash

For cancellation of each of the outstanding 2,220,000
Share Options with exercise price at HK\$0.3550 HK\$0.2250 payable in cash

For cancellation of each of the outstanding 200,000
Share Options with exercise price at HK\$0.8880 HK\$0.0010 payable in cash

Following acceptance of the Option Offer, the Share Options together with all rights attaching thereto will be entirely cancelled and renounced.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company had 1,196,476,000 Shares in issue and 4,820,000 Share Options. Save as disclosed above, the Company had no other class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue as at the Latest Practicable Date.

The Offers, if and when made, will be unconditional in all respects. Acceptance of the Offers will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

The Independent Board Committee comprising all independent non-executive directors of the Company, namely Mr. Ma, Andrew Chiu Cheung, Mr. Yu King Tin and Mr. Lam Kwok Cheong, has been established to advise the Shareholders and the Option Holders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers. The Independent Board Committee has appointed the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offers and in particular as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

The Company and the Offeror intend that a composite offer and response document in connection with the Offers setting out, among other things, details of the Offers (accompanied by the acceptance and transfer form) and incorporating the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser on the Offers will be issued and despatched by the Offeror and the Company jointly to the Shareholders and the Option Holders in accordance with the Takeovers Code. Pursuant to Rule 8.2 of the Takeovers Code, the composite offer and response document should be posted to the Shareholders and the Option Holders within 21 days of the date of the Joint Announcement or such other date as may be permitted by the Takeovers Code and agreed by the Executive and in compliance with the requirements of the Takeovers Code. As the making of the Offers is conditional on Completion, an application has been made to seek for the Executive's consent under Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of such composite offer and response document to be within seven days after Completion. Pursuant to the Subscription Agreement, the parties will endeavor to despatch the composite offer and response document in connection with the Offers to the Shareholders and the Option Holders on the date of Completion and in any event in accordance with the requirements under the Takeovers Code.

Please refer to the Joint Announcement for further information of the Offers.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company as at the Latest Practicable Date and on Completion (assuming that there is no other change to the enlarged issued share capital of the Company up to Completion).

	As at the Latest Practicable Date		Upon Completion but before the Offers are made (assuming none of the Share Options have been exercised at or prior to Completion)	
	<i>Number of Shares</i>	<i>% of issued share capital (approximately)</i>	<i>Number of Shares</i>	<i>% of issued share capital (approximately)</i>
The Offeror and parties acting in concert with it	–	–	1,245,124,409	51.10
Dr. Yip and Associates <i>(Note)</i>	612,484,000	51.41	415,884,000	17.07
Mr. Tsunoyama	140,200,000	11.77	140,200,000	5.75
Other Directors' interests	25,794,000	2.16	25,794,000	1.06
Public				
Existing public				
Shareholders	412,998,000	34.66	412,998,000	16.95
GF Securities/ Independent placee(s)	–	–	196,600,000	8.07
Total public Shareholders	<u>412,998,000</u>	<u>34.66</u>	<u>609,598,000</u>	<u>25.02</u>
 Total	 <u><u>1,191,476,000</u></u>	 <u><u>100.00</u></u>	 <u><u>2,436,600,409</u></u>	 <u><u>100.00</u></u>

Note:

As at the Latest Practicable Date, Dr. Yip personally held 102,484,000 Shares, representing approximately 8.60% of the total issued share capital of the Company. Ms. Tang Yuk Lan, the spouse of Dr. Yip, personally held 30,000,000 Shares, representing approximately 2.52% of the total issued share capital of the Company. The discretionary trust of which Dr. Yip and members of his family are beneficiaries held 480,000,000 Shares, representing approximately 40.29% of the total issued share capital of the Company, through Fame Harvest. Taking into account the aforesaid interests, Dr. Yip had interests in 612,484,000 Shares, representing approximately 51.41% of the total issued share capital of the Company as at the Latest Practicable Date.

Pursuant to the Placing and Underwriting Agreement, Fame Harvest has engaged GF Securities to place 196,600,000 Shares held by it to independent investor(s) on a fully underwritten basis to be completed simultaneously upon Completion.

LETTER FROM THE BOARD

INFORMATION ON THE PARTIES

The Company

The Group is principally engaged in futures broking, securities broking and margin financing, corporate finance, wealth management and insurance broking, money lending and proprietary trading.

Offeror

The Offeror is an investment holding company and a wholly-owned subsidiary of SWSC. SWSC is a company the shares of which are listed on the Shanghai Stock Exchange and is principally engaged in brokerage, investment banking, asset management and the consulting services business. The Offeror does not hold any Shares or any other securities of the Company as at the Latest Practicable Date and the Offeror and SWSC are Independent Third Parties.

REASONS FOR AND BENEFIT OF THE SHARE SUBSCRIPTION

It is the intention of the Offeror to acquire majority voting rights in the Company upon Completion, being not less than 51% of the enlarged issued share capital of the Company, through the Share Subscription as (1) the Offeror considers that being able to acquire a majority interest of the Company is essential for the Offeror to push forward and execute its business plans and strategies for the future business development of the Group; and (2) the Share Subscription will help improve the liquidity and financial position, in particular, the working capital and cash flow position of the Group, and strengthen the Company's cash reserves to facilitate its on-going developments given that (a) the Group recorded negative operating cash flow of approximately HK\$15.5 million and approximately HK\$61,000 for the year ended 30 June 2013 and for the six months ended 31 December 2013, respectively; and (b) as disclosed in the Company's interim report for the six months ended 31 December 2013, the Group encountered harsh operating environment resulting from increasingly intense market competition.

LETTER FROM THE BOARD

Given that the Subscription Shares will be issued at the Subscription Price representing a premium of approximately 105.43% over the consolidated net asset value of the Company as at 31 December 2013 and the consolidated net asset value of the Company per Share will be enhanced as a result of the Share Subscription and together with the aforesaid reasons for the Share Subscription, the Directors (including the independent non-executive directors of the Company) consider that the Share Subscription is beneficial to the Company and in the interests of the Shareholders as a whole. The Share Subscription introduces to the Company a strategic investor with a strong capital base and provides a good opportunity for the Company to raise capital and to improve the working capital of the Group. Having considered the terms of the Subscription Agreement, the Directors (including the independent non-executive directors of the Company) consider that the Share Subscription is on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

FUTURE INTENTIONS OF THE OFFEROR

The Offeror intends to continue with the futures broking, securities broking and margin financing, corporate finance, wealth management and insurance broking, money lending and proprietary trading as the principal activities of the Group after the close of the Offers. The Offeror has no intention to dispose of the Company's existing businesses. The Offeror will conduct a detailed review on the business operations and financial position of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider acquisition of assets and/or business by the Group in order to enhance its financial condition. As at the Latest Practicable Date, the Offeror has no plan to inject any of its assets into the Company.

In addition, subject to market conditions and the Company's financing needs, the Offeror may consider conducting various forms of fund-raising exercises (both equity and debt financing) to increase the Company's capital. As at the Latest Practicable Date, the form and timing of fund-raising exercise(s) have not yet been determined. In the event that the form, timing and other details of any fund-raising exercise(s) are determined, the Company will make further announcement(s) as and when required by the Listing Rules.

The Offeror intends to nominate directors to the Board on or after the Closing Date of the Offers. The Offeror is in the process of identifying suitable candidates for the Board. Any changes to the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcements will be made as and when appropriate. Save as the proposed change of the Board's composition and the Offeror's intention regarding the Group as mentioned above, the Offeror does not intend to introduce any major changes to the business of the Group, including (i) redeployment of the fixed assets of the Group; (ii) termination of employment of the employees of the Group, other than in the ordinary course of business; or (iii) injection of any assets or businesses into the Company.

LETTER FROM THE BOARD

MAINTAINING THE LISTING STATUS OF THE COMPANY

According to the Listing Rules, if less than the minimum prescribed percentage applicable to the Company, being 25%, of the issued Shares are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, then it will consider exercising its discretion to suspend trading in the Shares.

On 15 August 2014, Fame Harvest (as vendor) and GF Securities (as underwriter and placing agent independent of the Offeror, SWSC and parties acting in concert with any of them) entered into the Placing and Underwriting Agreement pursuant to which Fame Harvest agreed to engage GF Securities to place 196,600,000 Shares held by Fame Harvest to investor(s) independent of the Offeror, SWSC and parties acting in concert with any of them on a fully underwritten basis at the Offer Price. The placing under the Placing and Underwriting Agreement is subject to (i) Completion; and (ii) publication of the Joint Announcement. Completion of the placing under the Placing and Underwriting Agreement shall take place simultaneously upon Completion.

The Offeror confirms that neither itself, SWSC nor any parties acting in concert with any of them has or will have any involvement in the transactions contemplated under the Placing and Underwriting Agreement. GF Securities has confirmed in the Placing and Underwriting Agreement that, among others, (a) it is a third party independent of and not acting in concert with the Company, the Offeror, SWSC, Dr. Yip, any of their respective connected persons or parties acting in concert with any of them; (b) it is not accustomed to taking instructions from a core connected person (as defined in the Listing Rules) of the Company, the Offeror, SWSC, Dr. Yip or the parties acting in concert with each of them in relation to the acquisition, disposal, voting or any other disposition of securities in the Company to be registered in its name or otherwise to be held by it; and (c) save for the Placing and Underwriting Agreement, it has not had and will not have any relations, agreements or arrangements with any connected persons of the Company, the Offeror, SWSC or their respective associates.

LETTER FROM THE BOARD

Under the Placing and Underwriting Agreement, any placee(s) which may be procured by GF Securities has to confirm, among others, that (a) it and its ultimate owners are not core connected persons of the Company, the Offeror or SWSC; (b) it and its ultimate owners are independent third parties not connected and not acting in concert with the Offeror, SWSC, the Company or its subsidiaries or any of their respective associates or any parties acting in concert with any of them, or any of the chief executive, directors or substantial shareholders of the Company or its subsidiaries or any of their respective associates; (c) it is not accustomed to taking instructions from a core connected person (as defined in the Listing Rules) of the Company, the Offeror, SWSC, Dr. Yip or the parties acting in concert with each of them in relation to the acquisition, disposal, voting or any other disposition of securities in the Company; (d) the acquisition of the Placing Shares has not been financed directly or indirectly or backed by a core connected person of the Company, the Offeror, SWSC, Dr. Yip or the parties acting in concert with each of them; and (e) it has not had and is not expected to have any relations, agreements or arrangements with any connected persons of the Company, the Offeror, SWSC or their respective associates.

The Share Subscription is not conditional on the completion of the placing under the Placing and Underwriting Agreement. However, binding on Fame Harvest and GF Securities (a licensed corporation to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO), the placing under the Placing and Underwriting Agreement will become unconditional immediately upon Completion (after publication of the Joint Announcement) and will be completed simultaneously with the Completion as a contractual obligation. Based on the above confirmations, any placee(s) which GF Securities may procure or GF Securities who fully underwrites the placing under the Placing and Underwriting Agreement shall be regarded as public Shareholders for the purposes of Rule 8.24 of the Listing Rules. Assuming none of the Share Options have been exercised at or prior to Completion, approximately 25.02% of the issued Shares will be held by the public at the time of Completion. As at the Latest Practicable Date, 1,200,000 Share Options were held by connected persons of the Company. If those Share Options are exercised prior to Completion and the related new Shares continue to be held by the related connected person, assuming no other Share Options are exercised at or prior to Completion, approximately 25.01% of the issued Shares will be held by the public at the time of Completion. Based on the above arrangement, the Company shall be able to satisfy Rule 8.08(1)(a) of the Listing Rules at the time of Completion prior to the Offers.

Immediately upon Completion, the Offers will be made and the shareholding interests of the Offeror and parties acting in concert with it in the Company may further increase as a result of which the Company may or may not meet the minimum public float requirement under Rule 8.08 of the Listing Rules.

The Company and the Offeror intend to maintain the listing of the Shares on the Main Board of the Stock Exchange. The Offeror undertakes to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offers to ensure that 25% of the Shares will be held by the public.

LETTER FROM THE BOARD

The Company has been informed by the Offeror that, on 1 September 2014, the Offeror (as vendor) entered into the Placing Agreement (which will not become effective before Completion) with Haitong International Securities Company Limited (as placing agent) pursuant to which Haitong International Securities Company Limited on a best effort basis will help the Offeror place down a sufficient number of Shares it may acquire through the Offers at the Offer Price to restore the minimum public float of the Shares as required under the Listing Rules as soon as practicable after the close of the Offers. The Placing Agreement will become effective after fulfillment of the following conditions: (a) Completion; (b) the close of the Offers resulting in the Company's failure in fulfilling the minimum public float requirement under the Listing Rules; and (c) the Offeror has served a notice to Haitong International Securities Company Limited notifying it the number of Shares to be placed down for the restoration of the minimum public float requirement under the Listing Rules upon close of the Offers. Under the Placing Agreement, any placee(s) which will be procured by Haitong International Securities Company Limited has to confirm, among others, that it and its ultimate owners (a) are not core connected persons of the Company, the Offeror or SWSC; (b) are independent third parties, not connected with and not acting in concert with the Offeror, SWSC or their respective concert parties or the Company; and (c) are not Shareholders during the period of the Offers.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any fund raising of issuing equity securities in the twelve months immediately preceding the date of the Joint Announcement up to the Latest Practicable Date.

RE-ELECTION OF DIRECTOR

Mr. Lam Kwok Cheong was appointed as an independent non-executive director of the Company on 12 November 2013 after the conclusion of the last annual general meeting of the Company ("AGM").

Pursuant to the Bye-law 86(2), any Director appointed by the Board to fill a casual vacancy shall hold office until the next following general meeting of the Company and shall then be eligible for re-election at that meeting. Accordingly, Mr. Lam who was appointed as an independent non-executive director of the Company on 12 November 2013 to fill the casual vacancy after the conclusion of the AGM will retire at the SGM pursuant to the Bye-law 86(2) and, being eligible, offer himself for re-election at the SGM.

The following sets out the biographical details of Mr. Lam:

Mr. Lam, aged 60, has been an independent non-executive director of the Company since November 2013. Mr. Lam is a member of the audit committee, remuneration committee and nomination committee of the Company. He is a Justice of the Peace, a holder of Bronze Bauhinia Star (BBS) and a solicitor of the High Court of Hong Kong Special Administrative Region. He holds a Bachelor of Laws degree from the University of Hong Kong and has been a solicitor practicing for over 31 years. Mr. Lam is currently a member of the Buildings Ordinance Appeal Tribunal Panel, a member of the Panel of Adjudicators, Obscene Articles Tribunal, an Ex-Officio

LETTER FROM THE BOARD

Member of Heung Yee Kuk New Territories, a Civil Celebrant of Marriages, a China-appointed Attesting Officer and a fellow of The Hong Kong Institute of Directors. He is a non-executive director of Wing Lee Holdings Limited and an independent non-executive director of Sparkle Roll Group Limited; shares of these companies are listed on the main board of the Stock Exchange. He was also an independent non-executive director of Wing Lee Holdings Limited, Same Time Holdings Limited (now known as “GCL New Energy Holdings Limited”) and 21 Holdings Limited; shares of these companies are listed on the main board of the Stock Exchange.

Save as disclosed herein, Mr. Lam does not hold any directorships in any other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable date, Mr. Lam did not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr. Lam has entered into a service contract with the Company. The terms of appointment for Mr. Lam as an independent non-executive director of the Company is for a term of 12 months and is subject to retirement by rotation and eligible for re-election in accordance with the By-laws. Mr. Lam is entitled to receive a director’s fee of HK\$204,000 per annum which is determined by the Board and the remuneration committee of the Company with reference to his duties and responsibilities in the Group according to the Company’s emolument policy.

Mr. Lam has no relationship with any directors, senior management, substantial shareholder or controlling shareholder of the Company and there is no other matter which needs to be disclosed pursuant to paragraphs (h) to (v) of rule 13.51(2) of the Listing Rules.

GENERAL

The Share Subscription and the Increase in Authorised Share Capital require the approval of the Shareholders. To the best knowledge of the Directors, no Shareholder has a material interest in such matters (other than being a Shareholder) and therefore no Shareholder is required to abstain from voting in relation to the resolutions concerning the Share Subscription, the granting of the Specific Mandate and the Increase in Authorised Share Capital to be proposed at the SGM. At the SGM, Mr. Lam will offer himself for re-election as an independent non-executive Director.

Pages 24 and 26 of this circular contain a notice convening the SGM which will be held at Rooms 1601, 1606-1608, 16th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 19 September 2014 at 10:30 a.m.. At the SGM, resolutions will be proposed to approve the Share Subscription, the grant of the Special Mandate, the Increase in Authorised Share Capital and the re-election of Mr. Lam as an independent non-executive Director, which will be decided by poll in accordance with the Listing Rules.

LETTER FROM THE BOARD

A form of proxy for use by the Shareholders at the SGM is enclosed herewith. Whether or not you intend to be present at the SGM, you are requested to complete the enclosed form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as practicable but in any event not later than 48 hours before the time appointed for holding the SGM.

Completion and return of the form of proxy will not preclude you from attending and voting at the SGM in person should you so wish.

RECOMMENDATION

The Directors (including the independent non-executive directors of the Company) are of the opinion that the Share Subscription, the transactions contemplated thereunder, the Increase in Authorised Share Capital and the re-election of Mr. Lam as an independent non-executive Director are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive directors of the Company) recommend that all the Shareholders should vote in favour of the resolutions proposed at the SGM to approve the Subscription Agreement, the transactions contemplated thereunder, the Increase in Authorised Share Capital and the re-election of Mr. Lam as an independent non-executive Director.

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.

Yours faithfully

For and on behalf of

TANRICH FINANCIAL HOLDINGS LIMITED

Kwok Kam Hoi

Deputy Chairman and Chief Executive Officer

NOTICE OF SGM

TANRICH

TANRICH FINANCIAL HOLDINGS LIMITED

敦沛金融控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 812)

NOTICE IS HEREBY GIVEN that the special general meeting of the shareholders (the “Shareholders”) of TANRICH FINANCIAL HOLDINGS LIMITED (the “Company”) will be held at Rooms 1601, 1606-1608, 16th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Friday, 19 September 2014 at 10:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT:**

- a) the authorised share capital of the Company be and is hereby increased from HK\$200,000,000 divided into 2,000,000,000 shares of HK\$0.10 each (each a “Share”) to HK\$400,000,000 divided into 4,000,000,000 Shares of HK\$0.10 each by the creation of additional 2,000,000,000 Shares (the “**Increase in Authorised Share Capital**”); and
- b) any one Director be and is authorised to do all such acts and things, to sign and execute such documents or agreements or deeds on behalf of the Company and to do such other things and to take all such actions as he considers necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Increase in Authorised Share Capital and to agree to such variation, amendments or waiver of matters relating thereto as are, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole.”

* For identification purpose only

NOTICE OF SGM

2. “THAT:

subject to and conditional on the passing of the ordinary resolution no. 1 as set out in this notice,

- a) the subscription agreement dated 11 July 2014 entered into between the Company, Dr. Yip Man Fan, Mr. Tsunoyama Toru and Southwest Securities International Investment Limited (the “**Offeror**”) in relation to the subscription of 1,245,124,409 ordinary shares of HK\$0.10 each in the share capital of the Company (the “**Subscription Shares**”, and each a “**Subscription Share**”) at the subscription price of HK\$0.28 per Subscription Share (“**Subscription Agreement**”) (a copy of the Subscription Agreement has been tabled at the meeting marked “A” and signed by the chairman of the meeting for identification purpose) be and is hereby approved, ratified and confirmed;
- b) the directors of the Company (the “**Directors**”) be and are hereby granted a specific mandate (the “**Specific Mandate**”) to allot and issue the Subscription Shares to the Offeror pursuant to the Subscription Agreement, provided that the Specific Mandate shall be in addition to and shall not prejudice nor revoke the existing general mandate granted to the Directors by the Shareholders in the annual general meeting of the Company held on 12 November 2013 or such other general or specific mandate(s) which may from time to time be granted to the Directors prior to or after the passing of this resolution; and
- c) all other transactions contemplated under the Subscription Agreement be and are hereby approved and any one Director be and is authorised to do all such acts and things, to sign and execute such documents or agreements or deeds on behalf of the Company and to do such other things and to take all such actions as he considers necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Subscription Agreement and the transactions contemplated thereunder and to agree to such variation, amendments or waiver of matters relating thereto as are, in the opinion of the Director, in the interests of the Company and its shareholders as a whole.”

NOTICE OF SGM

3. To re-elect Mr. Lam Kwok Cheong as an independent non-executive director of the Company.

By order of the Board

Kwok Kam Hoi

Deputy Chairman and Chief Executive Officer

Hong Kong, 3 September 2014

As at the date of this notice, the executive directors of the Company are Dr. Yip Man Fan (Chairman), Mr. Kwok Kam Hoi (Deputy Chairman and Chief Executive Officer), Mr. Tsunoyama Toru, Ms. Wong, Vicky Lai Ping and Mr. Lin Peng; and the independent non-executive directors of the Company are Mr. Ma, Andrew Chiu Cheung, Mr. Yu King Tin and Mr. Lam Kwok Cheong.

Notes:

1. A proxy form for use at the meeting is enclosed.
2. Any shareholder of the Company entitled to attend and vote at the meeting of the Company shall be entitled to appoint one or more proxies to attend and vote instead of him.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
4. To be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude a member from attending the meeting and voting in person. In such event, his form of proxy will be deemed to have been revoked.
5. A proxy need not be a shareholder of the Company. A shareholder of the Company may appoint a proxy in respect of part of his holding of shares in the Company .
6. In the case of joint holders of a share/shares in the Company, if more than one of such joint holders be present at any meeting, 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 in respect of the joint holding.