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

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VANTAGE INTERNATIONAL (HOLDINGS) LIMITED

盈信控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 15)

**MAJOR TRANSACTION
IN RELATION TO DISPOSAL OF THE ENTIRE INTEREST IN
EXCEL DEVELOPMENT (HOLDINGS) LIMITED**

A letter from the Board is set out on pages 5 to 11 of this circular.

30 July 2015

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DEFINITIONS

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

“acting in concert”, “associate(s)”, “close associate(s)”, “connected person”, “controlling shareholder” and “subsidiary(ies)”	has the meaning ascribed thereto in the Takeovers Code or the Listing Rules (as appropriate)
“Best Trader”	Best Trader International Limited, a company incorporated in BVI with limited liability and a direct wholly-owned subsidiary of Excel Development
“Board”	the board of directors of the Company
“BVI”	the British Virgin Islands
“Company” or “Vantage”	Vantage International (Holdings) Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 15)
“Completion”	completion of the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement
“Completion Date”	the date of Completion
“Consideration”	the consideration of HK\$485,010,000 payable by the Purchaser to the Vendor in relation to the Share Sale pursuant to the Sale and Purchase Agreement
“Director(s)”	director(s) of the Company from time to time
“Excel Board”	the board of directors of Excel Development
“Excel Development”	Excel Development (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1372)
“Excel Engineering”	Excel Engineering Company Limited, a company incorporated in Hong Kong with limited liability, the entire issued share capital of which is held by Great Jump
“Excel Group”	Excel Development and its subsidiaries

DEFINITIONS

“Excel Offer”	the mandatory unconditional cash offer to make by Kingston Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the SFO, for and on behalf of the Purchaser for the acquisition of all the Excel Shares (other than those Excel Shares already owned or agreed to be acquired by the Purchaser and parties acting in concert with it) in accordance with the Takeovers Code
“Excel Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of Excel Development
“Great Jump”	Great Jump Enterprises Limited, a company incorporated in BVI with limited liability and a direct wholly-owned subsidiary of Best Trader
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of The People’s Republic of China
“Last Trading Day”	4 June 2015, being the last full trading day immediately prior to the entering into of the Sale and Purchase Agreement
“Latest Practicable Date”	22 July 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the non-legally binding memorandum of understanding in relation to the possible sale and purchase of all or part of the Sale Shares entered into between the Vendor and the Purchaser on 13 May 2015
“Preliminary Joint Announcement”	the joint announcement issued by Excel Development and the Company dated 20 April 2015, in relation to, among other things, the possible disposal of interests in Excel Development by the Company
“Purchaser” or “Youth Force”	Youth Force Asia Ltd., a company incorporated in BVI with limited Liability

DEFINITIONS

“Remaining Vantage Group”	companies within the Group other than the Excel Group
“Sale and Purchase Agreement”	the sale and purchase agreement dated 5 June 2015 entered into among the Purchaser, the Vendor and the Company pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase 150,000,000 Excel Shares, representing 75.00% of the issued share capital of Excel Development as at the date of the Sale and Purchase Agreement at the Consideration
“Sale Share(s)”	150,000,000 Excel Shares to be acquired by the Purchaser from the Vendor pursuant to the Sale and Purchase Agreement, which represents 75.00% of the entire issued share capital of Excel Development as at the date of the Sale and Purchase Agreement, and “Sale Share” means any of them
“Share Sale”	disposal of the Sale Shares by the Vendor to the Purchaser in accordance with the terms and conditions of the Sale and Purchase Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Special Cash Dividend”	a special cash dividend of HK\$50,000,000, being HK\$0.25 per Excel Share, proposed by the Excel Board pursuant to a resolution passed on 5 June 2015
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sureguard”	Sureguard Limited, a company incorporated in Hong Kong with limited liability and indirectly wholly-owned by the Company
“Sureguard Loan”	the interest-free loan facility in an aggregate amount of HK\$50,000,000 made available to Best Trader by Sureguard pursuant to the Sureguard Loan Agreement, such loan facility was terminated by Best Trader and Sureguard pursuant to a termination agreement of 16 July 2015
“Sureguard Loan Agreement”	the loan agreement dated 5 June 2015 entered into between Best Trader as borrower and Sureguard as lender in respect of the Sureguard Loan, such loan agreement was terminated by Best Trader and Sureguard pursuant to a termination agreement of 16 July 2015
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Vendor” or “Profit Chain”	Profit Chain Investments Limited, a company incorporated in BVI with limited liability and a direct wholly-owned subsidiary of the Company
“Winhale”	Winhale Ltd., a company incorporated in the British Virgin Islands with limited liability and is ultimately beneficially, wholly-owned by the Xyston Trust. Xyston Trust which is a discretionary family trust set up by Mr. NGAI Chun Hung for the benefits of himself and his family. Mr. NGAI Chun Hung is the Chairman of the Board
“%”	per cent.

LETTER FROM THE BOARD



VANTAGE INTERNATIONAL (HOLDINGS) LIMITED

盈信控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 15)

Directors:

Executive directors:

Mr. NGAI Chun Hung (*Chairman*)

Mr. YAU Kwok Fai (*Deputy Chairman and
Chief Executive Officer*)

Independent non-executive directors:

Professor KO Jan Ming

The Hon. IP Kwok Him, *GBS, JP*

Mr. FUNG Pui Cheung, Eugene

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

**Head Office and Principal Place
of Business:**

No. 155 Waterloo Road

Kowloon Tong

Kowloon

Hong Kong

30 July 2015

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION IN RELATION TO DISPOSAL OF THE ENTIRE INTEREST IN EXCEL DEVELOPMENT (HOLDINGS) LIMITED

INTRODUCTION

Reference is made to the joint announcements of the Company and Excel Development dated 20 April 2015, 14 May 2015, and 16 July 2015 and the joint announcement of the Company, Excel Development and the Purchaser dated 16 June 2015 in relation to, among others, the Share Sale.

On 5 June 2015, the Vendor, the Purchaser and the Company had entered into the Sale and Purchase Agreement, pursuant to which the Vendor had agreed to sell and the Purchaser had agreed to purchase the Sale Shares, being the aggregate interest of 150,000,000 Excel Shares held by the Vendor, representing 75.00% of the entire issued share capital of Excel Development as at the date of the Sale and Purchase Agreement, at an aggregate Consideration of HK\$485,010,000, representing HK\$3.2334 per Sale Share.

LETTER FROM THE BOARD

Since one or more of the applicable percentage ratios for the Share Sale is more than 25% but less than 75% for the Company, the Share Sale constitutes a major transaction for the Company and is therefore subject to the reporting, announcement and the shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have any material interest in the Share Sale and the transactions contemplated thereunder and no Shareholders are required to abstain from voting if the Company is to convene a general meeting to approve the Share Sale.

Pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, written approval for the Share Sale and the transactions contemplated thereunder has been obtained from a closely allied group of Shareholders comprising of Winhale, Fame Yield International Limited ("**Fame Yield**") and Mr. NGAI Chun Hung, the chairman of the Board, who together hold approximately 61.83% of the Shares in issue giving the right to attend and vote at general meetings of the Company. Accordingly, no general meeting of the Company will therefore be convened to approve the Share Sale.

The purpose of this circular is to provide you with further information on the Share Sale.

THE SALE AND PURCHASE AGREEMENT

Date: 5 June 2015

Parties: (1) Profit Chain (as vendor)

(2) Youth Force (as purchaser)

(3) The Company, which wholly-owns Profit Chain (as guarantor)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, immediately before the execution of the Sale and Purchase Agreement, each of Youth Force, its ultimate beneficial owner and parties acting in concert with them was (i) independent of and not connected with the Company and its connected persons (as defined in the Listing Rules) and (ii) not acting in concert with any of them.

The Sale Shares

The Sale Shares comprise a total of 150,000,000 Excel Shares, representing 75.00% of the entire issued share capital of Excel Development as at the date of the Sale and Purchase Agreement. The Sale Shares will be acquired by the Purchaser free from all encumbrances and together with all rights attached to the Sale Shares with effect from the Completion Date, including but not limited to the right to receive all dividends and distributions paid or declared on and from such date (including any entitlements to the Special Cash Dividend).

LETTER FROM THE BOARD

Consideration and payment terms

The total Consideration for the Sale Shares is HK\$485,010,000 (equivalent to HK\$3.2334 per Sale Share). The entire Consideration has been satisfied by the Purchaser in accordance with the Sale and Purchase Agreement in the following manner:

- (a) upon signing of the MOU, a deposit of HK\$10,000,000 had been paid to the Vendor by the Purchaser and which, upon Completion, was applied towards satisfaction of part of the Consideration payable to the Vendor by the Purchaser under the Sale and Purchase Agreement; and
- (b) the remaining balance of HK\$474,069,500 (after deduction of the stamp duty payable by the Vendor) had been paid by the Purchaser to the Vendor upon Completion, in immediate available funds by electronic transfer to the Vendor.

The Consideration for the Sale Shares was agreed between the Purchaser and the Vendor after arm's length negotiations, taking into account (i) the unaudited consolidated net asset value of the Excel Group as at the Completion Date, which do not have material difference with the audited net asset value of the Excel Group as at 31 March 2015; (ii) the historical financial performance and business outlook of the Excel Group; (iii) the then prevailing market prices of the Excel Shares as at the time of negotiation between the Purchaser and the Vendor; (iv) the proposed Sureguard Loan, the provision of which will not have material impact on the Group's financial position; (v) the fact that the Purchaser will be entitled to the Special Cash Dividend; and (vi) the fact that the Purchaser will be able to exercise statutory control over Excel Development upon Completion. The Consideration per Sale Share represents a premium of approximately 30.38% over the closing price of HK\$2.48 per Excel Share as quoted on the Stock Exchange on 17 April 2015, being the last full trading day prior to the Preliminary Joint Announcement. The Consideration also represents a premium of approximately HK\$315 million over the audited consolidated net assets value of the Excel Group as shared by the Group as at 31 March 2015.

The Board, having considered all the above factors, considers that the Consideration for the Sale Shares is fair and reasonable and in the interests of the Company and the Shareholders as a whole, despite a discount of approximately 48.43% between the Consideration per Sale Share and the closing price of HK\$6.27 per Excel Share on the Last Trading Day.

The Board considers that the Excel Share prices are subject to fluctuation from time to time and there is no certainty that it will stay at the level as at the Last Trading Day. The Directors particularly noted that during most of the time since the listing of Excel Development on 11 December 2013 to 20 April 2015, when the Company and Excel Development published the Preliminary Joint Announcement regarding the possible disposal of interest in Excel Development by the Vendor, the Excel Share prices were below the transaction price of HK\$3.2334 per Sale Share.

On 16 July 2017, the Sureguard Loan was terminated pursuant to a termination agreement entered into between Best Trader and Sureguard. Accordingly, the Sureguard Loan will not proceed. The termination of the Sureguard Loan Agreement is effective after Completion and will not have any impact on the Consideration.

LETTER FROM THE BOARD

Completion

There is no condition precedent to the Sale and Purchase Agreement. Completion took place on the date of the Sale and Purchase Agreement. Immediately prior to the entering into of the Sale and Purchase Agreement, the Vendor, being a direct wholly-owned subsidiary of the Company, was interested in 150,000,000 Excel Shares, representing 75.00% of the issued share capital of Excel Development as at the date of the Sale and Purchase Agreement. Immediately following Completion, the Group has ceased to have any interests in the Excel Shares and Excel Development has ceased to be a subsidiary of the Group.

Vendor's Indemnity

After arm's length negotiation between the Vendor and the Purchaser, the Vendor, under the Sale and Purchase Agreement, has agreed to indemnify the Purchaser and the Excel Group from and against all actions, claims, proceedings, loss, damage, payments, costs or expenses incurred or suffered by the Purchaser and the Excel Group in relation to any breach of (i) the guarantees in relation to any indebtedness of the Excel Group given and to be given by Excel Development during the period from the date of the Sale and Purchase Agreement until the close of the Excel Offer and (ii) the confirmations given by the executive and non-executive directors of Excel Development thereunder or undertakings given by the directors of Excel Engineering at the date of the Sale and Purchasing Agreement.

The Company's Undertaking

The Company, being a party to the Sale and Purchase Agreement, has agreed to the Purchaser if and only if the Vendor defaults for any reason in the full or partial payment to be made by the Vendor of any claim pursuant to the Sale and Purchase Agreement, the Company shall upon demand make such payment or shortfall of such payment with respect to such default in the manner prescribed by the Sale and Purchase Agreement. Save for this undertaking, no other representation, warranty, undertaking and/or indemnity has been made by the Company to the Purchaser under the Sale and Purchase Agreement.

INFORMATION OF EXCEL DEVELOPMENT

Excel Development, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on Main Board of the Stock Exchange, is an investment holding company. Its subsidiaries are principally engaged in civil engineering works as well as building construction and maintenance in Hong Kong. Set out below is a summary of the audited financial information of Excel Development for the two years ended 31 March 2014 and 2015 as extracted respectively from the annual reports of Excel Development for the years ended 31 March 2014 and 2015:

	2014	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before taxation	36,034	19,052
Profit after taxation	28,396	15,874
Net profit	28,396	15,874
Net assets	210,253	226,127

LETTER FROM THE BOARD

INFORMATION OF THE PURCHASER

To the best knowledge of the Board, the Purchaser is a company incorporated in BVI with limited liability. The Purchaser is legally and beneficially owned as to 100% by Mr. JIANG Jianhui, who is the sole director of the Purchaser, as at the date of the Sale and Purchase Agreement. The Purchaser is principally engaged in investment holding and does not have any assets as at the date of the Sale and Purchase Agreement.

REASONS FOR THE SHARE SALE

The Group is principally engaged in property investment and development and a wide range of building construction, building maintenance, civil engineering and other contract works in the public and private sectors in Hong Kong. All civil engineering projects had been engaged through the Excel Group. Accordingly, the Remaining Vantage Group no longer engages in civil engineering contract works following the Completion.

The Directors consider that the Share Sale not only provides an immediate opportunity for the Company to unlock the value of the Excel Group, but it also enables the management of the Group to re-allocate the Group's resources and focus on the remaining businesses, especially on the property development and building construction contract works businesses. The Directors are of the view that the terms and conditions of the Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

USE OF PROCEEDS

The net proceeds received by the Vendor from the Share Sale (after deducting professional fees, agency fees and other transaction costs) are estimated to be approximately HK\$461 million. As the Vendor is wholly-owned by the Company, all of the total proceeds are attributable to the Company and will be used for general working capital and future business development (including potential acquisitions and investments relating to the Group's property investment and development business). As at the Latest Practicable Date, the Group has not identified any specific acquisition or investment projects which requires the use of the net proceeds from the Share Sale.

EXPECTED GAIN AND POSSIBLE FINANCIAL EFFECTS OF THE SHARE SALE

The assets, liabilities and financial results of Excel Group had been consolidated in the consolidated financial statements of the Company. Immediately following Completion, the Company cease to have any equity interest in the Excel Group, which cease to be subsidiaries of the Company. Accordingly, the assets, liabilities and financial results of the Excel Group subsequent to Completion will not be consolidated in the consolidated financial statements of the Company.

LETTER FROM THE BOARD

Based on the unaudited financial statements of the Excel Group, the Company expects to recognise an unaudited gain of more than HK\$290 million (after deducting all the professional fees, agency fees and other transaction costs) from the Share Sale. The net proceeds received by the Vendor from the Share Sale (after deducting professional fees, agency fees and other transaction costs) are estimated to be approximately HK\$461 million. As the Vendor is wholly-owned by the Company, all of the proceeds received are attributable to the Company.

The actual gain as a result of the Share Sale to be eventually recorded by the Group is subject to audit of, among others, the carrying value of the Excel Group as of the Completion Date, and therefore may be different from the amount estimated above.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for the Share Sale is more than 25% but less than 75% for the Company, the Share Sale constitutes a major transaction for the Company and is therefore subject to the reporting, announcement and the shareholders' approval requirements under Chapter 14 of the Listing Rules.

As none of the Shareholders has a material interest in the Share Sale and the transactions contemplated thereunder, none of them would be required to abstain from voting if the Company were to convene a Shareholders' meeting to approve the same. The Company has obtained a written approval for the Share Sale and the transactions contemplated thereunder from a closely allied group of the Shareholders comprising of Winhale, Fame Yield and Mr. NGAI Chun Hung, the chairman of the Board, who together hold approximately 61.83% of the Shares pursuant to Rule 14.44 of the Listing Rules in lieu of holding a general meeting of the Company for approving the Share Sale and the transactions contemplated thereunder. Accordingly, no special general meeting of the Company will be convened for the purpose of approving the Share Sale as a major transaction.

Mr. NGAI Chun Hung, is interested in 1,080,011,200 Shares, which comprise 6,250,800 Shares held by himself, the deemed interest in 838,760,400 Shares held by Winhale and 235,000,000 Shares held by Fame Yield by virtue of his interest in the entire issued share capital of Fame Yield and he is the settlor and a beneficiary of the Xyston Trust, a discretionary family trust set up by Mr. NGAI Chun Hung for the benefits of himself and his family which ultimately beneficially owns Winhale.

BUSINESS OF THE REMAINING VANTAGE GROUP

Following Completion, the Remaining Vantage Group is principally engaged in a wide range of building construction, building maintenance and other contract works business and the property investment and development business in Hong Kong.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

By Order of the Board of
VANTAGE INTERNATIONAL (HOLDINGS) LIMITED
NGAI Chun Hung
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Details of the published financial information of the Group for each of the three financial years ended 31 March 2013, 31 March 2014 and 31 March 2015 are disclosed in the annual reports of the Company for the financial years ended 31 March 2013, 31 March 2014 and 31 March 2015 respectively, all of which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.capitalfp.com.hk/eng/index.jsp?co=15>).

2. INDEBTEDNESS STATEMENT**Borrowings**

At the close of business on 31 May 2015 (being the latest practicable date for ascertaining information regarding this indebtedness statement prior to the printing of this circular), the Group had an aggregate outstanding secured bank borrowings amounting to approximately HK\$1,052 million.

Charge on Assets

At the close of business on 31 May 2015, the Group's banking facilities were secured by (i) investment properties with an aggregate carrying amount of approximately HK\$912 million; (ii) land and buildings with net carrying amount of approximately HK\$135 million; (iii) properties held for development with carrying amount of HK\$728 million; (iv) properties under development of HK\$545 million; and (v) the assignment of the Group's financial benefits under certain contract works with total accounts receivable amounting to HK\$575 million.

Contingent liabilities

At 31 May 2015, the guarantees given by the Group to certain banks in respect of performance bonds in favour of certain contract customers amounted to approximately HK\$242 million. At 31 May 2015, the Company has given guarantees in favour of certain banks to the extent of approximately HK\$2,928 million in respect of banking facilities granted by those banks to certain subsidiaries of the Company, of which approximately HK\$1,276 million was utilised.

The Group had outstanding legal cases as at 31 May 2015, details of which are set out under the section headed "Litigation" in Appendix II to this circular.

Other liabilities

Save as disclosed above and apart from intra-group liabilities and normal trade payables, at the close of business on 31 May 2015, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

The Directors confirm that, save as disclosed above, there was no material change in the indebtedness status of the Group since 31 March 2015 up to the Latest Practicable Date.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, after taking into account the Group's internal resources and available banking facilities, the net proceeds from the Share Sale and in the absence of unforeseen circumstances, the Group has sufficient working capital for its present requirements for the next 12 months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, they were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2015, being the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS

After Completion, the Group will cease its business in civil engineering works and re-focus the management's effort in the contract works business on building construction and building maintenance, as well as property investment and development.

To diversify the market risk from contract works business and support sustainable development of the Group, management of the Company will continue to keep a close eye on the land and property market for property investment and development opportunities. Although market concerns that Hong Kong's decade-long property boom could be ending in 2015, recent residential property sales in Hong Kong remain strong due to the solid demand for home purchases. Taking into account of the continuous shortage of urban land supply, low unemployment rate and stable interest rate environment in Hong Kong, the Directors are optimistic on the long term development of property market in Hong Kong.

The Directors believe a positive impact on the Group's profits and cashflows will be effected upon the leasing of the shop units at No. 123 Tung Choi Street, Mongkok. The Group also looks forward to receiving remarkable income from the property development business upon the completion of the residential developments projects at Nos. 92A-E Pokfulam Road, Hong Kong and No. 9 Belfran Road, Kowloon in the year 2015 and 2016, respectively.

As mentioned under the sections "REASONS FOR THE SHARE SALE" and "EXPECTED GAIN AND POSSIBLE FINANCIAL EFFECTS OF THE SHARE SALE" in the letter from the Board of this circular, the Group realize a significant gain from the Share Sale and the Share Sale make a positive contribution to the cash flows and financial position of the Group. Accordingly, the Directors are of the view that the Group is well equipped to capture new investment opportunities to enhance shareholders' return. Looking forward, the Group will actively pursue high-quality investment opportunities and realise our potential of our existing businesses.

1. 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.

2. DISCLOSURE OF INTERESTS

(i) Directors' and chief executive officer's interests in securities

As at the Latest Practicable Date, details of the interests and short positions of each of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO as required to be notified to the Company and The Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests & short positions which they were taken or deemed to have under provisions of the SFO); or required to be recorded in the register kept by the Company under Section 352 of the SFO; or otherwise required to be notified to the Company and The Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") as set out in Appendix 10 of the Listing Rules were as follows:

Interests in the Shares of the Company (Long Position):

Director	Notes	Capacity and nature of interests	Number of ordinary shares interested	% of issued share capital of the Company
NGAI Chun Hung ("Mr. NGAI")	(a)	As founder and beneficiary of a trust	838,760,400	48.02%
		Interest in a controlled corporation	235,000,000	13.45%
	(b)	Personal	6,250,800	0.36%
			1,080,011,200	61.83%
YAU Kwok Fai ("Mr. YAU")	(c)	Interest in a controlled corporation	30,888,000	1.77%
		Personal	8,448,000	0.48%
			39,336,000	2.25%
KO Jan Ming		Personal	840,000	0.05%
IP Kwok Him		Personal	4,800	0.0003%
FUNG Pui Cheung, Eugene		Personal	364,800	0.02%

Notes:

- (a) These Shares are legally and beneficially owned by Winhale.
- (b) These Shares are legally and beneficially owned by Fame Yield, the entire issued share capital of which is legally and beneficially owned by Mr. NGAI.
- (c) These Shares are legally and beneficially owned by Business Success Limited, the entire issued share capital of which is legally and beneficially owned by Mr. YAU.

Interests in Shares of the Company’s Associated Corporation (Long Position):

In Nga Chun Holdings Company Limited (“Nga Chun”):

Director	<i>Note</i>	Capacity and nature of interests	Number of ordinary shares interested	% of issued share capital of Nga Chun
Mr. NGAI	(a)	Interest in a controlled corporation	300,000,000	75.00%

Note:

- (a) Mr. NGAI is deemed to be interested in such shares of Nga Chun under the SFO as he is interested in 1,080,011,200 Shares of the Company, which comprise 6,250,800 Shares held by himself, the deemed interest in 838,760,400 Shares held by Winhale and 235,000,000 Shares held by Fame Yield by virtue of his interest in the entire issued share capital of Fame Yield and he was the settlor and a beneficiary of the Xyston Trust.

As at the Latest Practicable Date, the Company and its associated corporations had no outstanding share options granted to the Directors to subscribe for the securities of the Company and its associated corporations.

In addition to the above, certain Directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Group solely for the purpose of complying with the previous minimum company membership requirement of the Hong Kong Companies Ordinance. Certain Directors also have beneficial interests in non-voting deferred shares practically carrying no rights to dividends or to receive notice of or to attend or vote at any general meeting or to participate in any distribution or winding up in a subsidiary.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive officer of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and The Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or as recorded in the register kept by the Company under Section 352 of the SFO, or otherwise to be notified to the Company and The Stock Exchange pursuant to the Model Code.

(ii) Directors' service contracts

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contracts with the Company or any other member of the Group (excluding contracts expiring or determinable by the Company or other members of the Group within a year without payment of any compensation (other than statutory compensation)).

(iii) Directors' interests in the assets, contracts or arrangement significant to the Group

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since the date to which the latest published audited financial statements of the Group were made up (i.e. 31 March 2015), acquired or disposed of by, or leased to the Company or any of its subsidiaries, or are proposed to be acquired or disposed of by, or leased to, the Company or any of its subsidiaries.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by the Company or any member of the Group which contract or arrangement is subsisting at the date of this circular and which is significant in relation to the business of the Group.

(iv) Substantial shareholders' interests in securities

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of SFO, the following persons and companies (other than the Directors or chief executive of the Company) had an interest or short position in the shares and the underlying shares of the Company which fell to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO:

Long positions in the Shares:

Name of Shareholders	Notes	Capacity and nature of interests	Number of ordinary shares interested	% of issued share capital of the Company
Winhale	(a)	Beneficially owned	838,760,400	48.02%
Braveway Limited	(b)	As a trustee	838,760,400	48.02%
HSBC International Trustee Limited	(b)	As a trustee	838,760,400	48.02%
Fame Yield	(c)	Beneficial owner	235,000,000	13.45%
Dragon Gate Development Limited	(d)	Beneficial owner	166,742,000	9.55%
Chiu Koon Ming Andy	(d)	Through a controlled corporation	166,742,000	9.55%

Notes:

- (a) The above interest in the name of Winhale was also disclosed as interests of Mr. NGAI under the heading “Directors’ and Chief Executive Officer’s Interests in Securities”. In addition, these shares are ultimately beneficially owned by Xyston Trust.
- (b) Braveway Limited and HSBC International Trustee Limited are deemed to be interested in the shares of the Company held by Winhale by virtue of the fact that Winhale is wholly-owned by the trusts of which Braveway Limited and HSBC International Trustee Limited are the trustees.
- (c) 100% interest in Fame Yield is controlled by Mr. NGAI.
- (d) 100% interest in Dragon Gate Development Limited is controlled by Mr. CHIU Koon Ming Andy.

Save as disclosed above, as at the Latest Practicable Date, no other person (other than the Directors and chief executive of the Company) had an interest or short position in the Shares and the underlying Shares which fell to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO.

(v) Directors’ interests in competing business

Mr. NGAI is a Director and/or (substantial) shareholder of Winflower Investment Limited, Win Source Investment Limited, Key Fame Limited and Key Fund Limited, which are companies incorporated in Hong Kong and engaging in property investment or property development business. At 31 March 2015, Mr. NGAI’s son, Mr. NGAI Wing Yin, aged over 18, is a director of Lanon Development Limited (“**Lanon Development**”), Lanon Construction Limited (“**Lanon Constructions**”) and Lanon Building Limited (“**Lanon Building**”), all incorporated in Hong Kong and engaging in construction, maintenance and engineering contract works.

Meanwhile, Ms. WONG Chui Yee, Mr. NGAI Wing Ying’s wife and Mr. NGAI’s daughter-in-law, aged over 18, is also a director of Lanon Development. As at 31 March 2015, Mr. NGAI Wing Yin holds 100% beneficial interest in Lanon Development, Lanon Construction and Lanon Building. On the other hand, the Group has entered into a tenancy agreement with Lanon Development, which constitute continuing connected transactions of the Company.

The power to make material business decisions for the Group is vested in the Board. Whenever the Board considers that there may be a conflict of interest between the Group and any Director, such Director (including Mr. NGAI who is the executive director, Chairman of the Board and a substantial shareholder of the Company) will be required to abstain from voting. Therefore, the Board is capable of carrying on the Group’s business independently of, and at arm’s length, from the business of Mr. NGAI.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective close associates is interested in any business which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

3. LITIGATION

At the Latest Practicable Date, there were a number of claims against the Group which arose in the ordinary course of the Group's contract works business. These claims are due to personal injuries suffered by employees of the Group or the Group's subcontractors in accidents arising out of and in the course of their employment. No settlement has been reached, nor has there been judgment made against the Group in respect of the claims up to the Latest Practicable Date. The Directors are of the opinion that such claims are covered by insurance and would not result in material adverse impact to the financial position or results and operations of the Group.

4. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries at the time being, have been entered into by members of the Group within two years immediately preceding the date of this circular and up to the Latest Practicable Date and which is or may be material:

- (i) Public offer underwriting agreement dated 27 November 2013 entered into by (i) Excel Development, (ii) Mizuho Securities Asia Limited ("**Mizuho**"), (iii) the executive and non-executive directors of Excel Development at the time, (iv) the controlling shareholders of Excel Development at the time (being the Company and Mr. NGAI) and (v) the underwriters (the "**Excel Underwriters**") being Mizuho Securities Asia Limited, RaffAello Securities (HK) Limited, Philip Securities (Hong Kong) Limited and Phoenix Capital Securities Limited, relating to the offer of Excel Shares for subscription to the public in Hong Kong (the "**Excel Public Offer**");
- (ii) Price determination agreement dated 4 December 2013 entered into by Mizuho, for itself and on behalf of the Excel Underwriters, and Excel Development for the purpose of determining the final offer price per Excel Share under the Excel Public Offer and the Excel Placing (as defined below);
- (iii) Placing underwriting agreement dated 4 December 2013 entered into by (i) Excel Development, (ii) Mizuho, (iii) the executive and non-executive directors of Excel Development at the time, (iv) the controlling shareholders of Excel Development at the time (being the Company and Mr. NGAI) and (v) the Excel Underwriters relating to the conditional offering of Excel Shares for and on behalf of Excel Development (the "**Excel Placing**");
- (iv) the sale and purchase agreements dated 10 December 2013, one entered into between Metro Advance Limited, a company incorporated with limited liability in Hong Kong and an indirect wholly-owned subsidiary of the Company, as purchaser and Realight Limited, an independent third party of the Company and its associates, as vendor in relation to the acquisition of all those pieces or parcels of ground registered in the Land Registry as The Remaining Portion of Lot No.462, The Remaining Portion of Lot No.464 and The Remaining Portion of Lot No.465, all in Demarcation District No.109, together with the messuages erections and buildings thereon (if any), at a consideration of HK\$62,484,000; the other entered into between Noble Connection Limited, a company incorporated with

limited liability in Hong Kong and an indirect wholly-owned subsidiary of the Company, as purchaser and Tenfond Development Limited, an independent third party of the Company and its associates, as vendor in relation to the acquisition of all those pieces or parcels of ground registered in the Land Registry as The Remaining Portion of Lot No.544 and The Remaining Portion of Lot No.545, all in Demarcation District No.109, together with the messuages erections and buildings thereon (if any), at a consideration of HK\$5,969,000;

- (v) Public offer underwriting agreement dated 29 September 2014 entered into by (i) Nga Chun, (ii) Ample Capital Limited (“**Ample Capital**”), (iii) the executive directors of Nga Chun at the time, (iv) the controlling shareholders of Nga Chun at the time (including the Company, Profit Chain, Globetrade Limited (an indirect wholly-owned subsidiary of the Company) and Mr. NGAI), and (v) Ample Orient Capital Limited (“**Ample Orient**”), relating to the offer of shares of Nga Chun for subscription to the public in Hong Kong (the “**Nga Chun Public Offer**”);
- (vi) Placing underwriting agreement dated 8 October 2014 entered into by (i) Nga Chun, (ii) Ample Capital, (iii) the executive directors of Nga Chun at the time, (iv) the controlling shareholders of Nga Chun at the time (including the Company, Profit Chain, Globetrade Limited and Mr. NGAI) and (v) the underwriters (being Ample Orient and Convoy Investment Services Limited), relating to the conditional offering of shares of Nga Chun for and on behalf of Nga Chun;
- (vii) Non-disclosure and confidentiality agreement dated 18 May 2015 entered into between Excel Development and the Purchaser under which the Purchaser agrees to hold certain confidential information provided by Excel Development pursuant to the MOU in the strictest confidence;
- (viii) Agreement for the sale and purchase of the entire issued share capital of Top Integration Limited (“**Top Integration**” a wholly-owned subsidiary of Best Trader at the time) and all the right title benefit and interest of and in the loan due and owing by Top Integration dated 3 June 2015 entered into between Best Trader and Mr. Chan Hon Wing, an independent third party of the Company and its close associates, at a consideration of approximately HK\$9 million; and
- (ix) the Sale and Purchase Agreement, the terms of which are set out in this circular.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection from 9:00 a.m. to 1:00 p.m. and from 2:00 p.m. to 6:00 p.m. on any weekdays (except for Saturday and public holidays) at the Company’s principal place of business in Hong Kong for a period of 14 days from the date of this circular:

- (i) the Company’s memorandum of association and Bye-laws;
- (ii) the material contracts referred to in the section headed “Material Contracts” in this Appendix;

- (iii) the annual reports of the Company for the two years ended 31 March 2014 and 2015;
- (iv) the interim reports of the Company for the six months ended 30 September 2014;
- (v) the Sale and Purchase Agreement;
- (vi) the written approval dated 5 June 2015 from a closely allied group of the Company's Shareholders comprising of Winhale, Fame Yield and Mr. NGAI; and
- (vii) this circular.

6. MISCELLANEOUS

- (i) the registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda;
- (ii) the head office and principal place of business of the Company is at No. 155 Waterloo Road, Kowloon Tong, Kowloon, Hong Kong;
- (iii) the Company's principal transfer office is located at Codan Services Limited, Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East Hong Kong;
- (iv) as at the date of this circular, the board of Directors of the Company comprises two executive Directors, namely Mr. NGAI Chun Hung (*Chairman*) and Mr. YAU Kwok Fai (*Deputy Chairman and Chief Executive Officer*) and three independent non-executive Directors, namely Professor KO Jan Ming, the Hon. IP Kwok Him, *GBS, JP* and Mr. FUNG Pui Cheung, Eugene;
- (v) the company secretary of the Company is Ms. TSANG Hau Lam, a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants; and
- (vi) the English text of this circular prevails over the Chinese text in case of inconsistency.