
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Environmental Energy Investment Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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China Environmental Energy Investment Limited

中國環保能源投資有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 986)

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND
TO ISSUE NEW SHARES OF THE COMPANY
AND
PROPOSED RE-ELECTION OF
THE RETIRING DIRECTORS OF THE COMPANY
AND
NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY**

A notice convening an annual general meeting of China Environmental Energy Investment Limited to be held at Falcon Room I, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Monday, 31 August 2015 at 10:00 a.m. is set out on pages 18 to 22 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.986.com.hk).

Whether or not you are able to attend the annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish and, in such event, the form of proxy shall be deemed to be revoked.

* For identification purposes only

31 July 2015

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RESPONSIBILITY STATEMENT

This document, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 document 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 document misleading.

DEFINITIONS

This document has both English and Chinese versions. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.

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

“Annual General Meeting”	an annual general meeting of the Company to be held at Falcon Room I, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Monday, 31 August 2015 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 22 of this circular, or any adjournment thereof;
“Board”	the board of Directors;
“Company”	China Environmental Energy Investment Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Current Bye-laws”	the Bye-laws of the Company currently in force;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“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;
“Latest Practicable Date”	24 July 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Buyback Mandate”	as defined in paragraph 2(a) of the Letter from the Board;

DEFINITIONS

“New Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong;
“%”	per cent.

LETTER FROM THE BOARD



China Environmental Energy Investment Limited

中國環保能源投資有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 986)

Executive Directors:

Ms. Chen Tong (*Chairman and Chief Executive Officer*)

Mr. Xiang Liang

Ms. Li Lin

Non-executive Directors:

Ms. Yao Zhengwei

Mr. Wang Zhenghua

Independent Non-executive Directors:

Ms. Zhang Ruisi

Mr. Tse Kwong Chan

Ms. Zhou Jue

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Head Office and Principal

Place of Business:

Room 2211, 22/F

Lippo Centre, Tower Two

89 Queensway

Hong Kong

31 July 2015

To the Shareholders

Dear Sir/Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND
TO ISSUE NEW SHARES OF THE COMPANY
AND
PROPOSED RE-ELECTION OF
THE RETIRING DIRECTORS OF THE COMPANY
AND
NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY**

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for (i) the granting of the New Buyback Mandate to the Directors; (ii) the granting of the New Issuance Mandate to the Directors; (iii) the extension of the New Issuance Mandate by adding to it the number of the issued Shares repurchased by the Company under the New Buyback Mandate; and (iv) the re-election of the retiring Directors.

* For identification purposes only

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF THE NEW BUYBACK AND ISSUANCE MANDATES

At the annual general meeting of the Company held on 28 August 2014, an ordinary resolution was passed for granting of a general mandate to the Directors to repurchase the Company's own shares not exceeding 10% of the total nominal amount of the issued share capital of the Company as at 28 August 2014 (the "**Previous Buyback Mandate**"). At the special general meeting of the company held on 3 July 2015, an ordinary resolution was passed for granting of a general mandate to the Directors to allot, issue and deal with the Company's new shares not exceeding 20% of the total nominal amount of the issued share capital of the Company as at 3 July 2015 (the "**Previous Issuance Mandate**"). The Previous Buyback Mandate and the Previous Issuance Mandate will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares, on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, not exceeding 10% of the total number of the issued Shares as at the date of passing of such resolution (i.e. not exceeding 312,228,640 Shares on the basis that the existing issued share capital of the Company of 3,122,286,406 Shares remains unchanged as at the date of the Annual General Meeting) (the "**New Buyback Mandate**");
- (b) to allot, issue or deal with Shares not exceeding 20% of the total number of the issued Shares as at the date of passing of such resolution (i.e. not exceeding 624,457,281 Shares on the basis that the existing issued share capital of the Company of 3,122,286,406 Shares remains unchanged as at the date of the Annual General Meeting) (the "**New Issuance Mandate**"); and
- (c) to extend the New Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to and in accordance with the New Buyback Mandate.

LETTER FROM THE BOARD

The New Buyback Mandate and the New Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 9 and 10 of the notice of the Annual General Meeting as set out on pages 18 to 22 of this circular.

In accordance with the requirements of the Listing Rules, the Company shall send to Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the New Buyback Mandate. The explanatory statement as required by the Listing Rules in connection with the New Buyback Mandate is set out in Appendix I to this circular.

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

According to the Current Bye-laws and the agreement among the Board members, Ms. Li Lin, Mr. Xiang Liang, Mr. Wang Zhenghua and Ms. Yao Zhengwei shall retire at the Annual General Meeting. All of the above four retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting. Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above four retiring Directors are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 18 to 22 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the granting of the New Buyback Mandate and the New Issuance Mandate, the extension of the New Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the New Buyback Mandate and the re-election of the retiring Directors.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the Annual General Meeting. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.986.com.hk). Whether or not you are able to attend the Annual General Meeting, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, to the Branch Share Registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish and in such event, your proxy form shall be deemed to be revoked.

5. RECOMMENDATION

The Directors consider that the granting of the New Buyback Mandate, the granting/extension of the New Issuance Mandate and the re-election of the retiring Directors are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

6. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the New Buyback Mandate) and Appendix II (Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
By order of the Board
Chen Tong
Chairman

APPENDIX I EXPLANATORY STATEMENT ON THE NEW BUYBACK MANDATE

The following is an explanatory statement required by the Listing Rules to be sent to Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the New Buyback Mandate.

1. REASONS FOR BUYBACK OF SHARES

The Directors believe that the granting of the New Buyback Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the New Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,122,286,406 Shares.

Subject to the passing of the ordinary resolution set out in item 9 of the notice of the Annual General Meeting in respect of the granting of the New Buyback Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the Annual General Meeting, i.e. being 3,122,286,406 Shares, the Directors would be authorized under the New Buyback Mandate to repurchase, during the period in which the New Buyback Mandate remains in force, 312,228,640 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

3. FUNDING OF REPURCHASES

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purposes in accordance with the Company's Memorandum of Association and Current Bye-laws, the laws of Bermuda and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 March 2015) in the event that the New Buyback Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the New Buyback Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time befitting the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the New Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

APPENDIX I EXPLANATORY STATEMENT ON THE NEW BUYBACK MANDATE

As far as the Directors are aware, as at the Latest Practicable Date, no Shareholder holds 10% or more in the issued Shares and that the Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the New Buyback Mandate.

The Listing Rules prohibit a company from making repurchase of shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the company's issued share capital would be in public hands. The Directors do not propose to repurchase Shares, which would result in less than the prescribed minimum percentage of Shares in public hands.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the New Buyback Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the New Buyback Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the New Buyback Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

APPENDIX I EXPLANATORY STATEMENT ON THE NEW BUYBACK MANDATE

7. MARKET PRICES OF SHARES

The highest and lowest prices per share at which the Company's shares have traded on the Stock Exchange during each of the following months were as follows:

Month	Highest HK\$	Lowest HK\$
2014		
July*	0.4640	0.3510
August*	0.5380	0.3840
September*	0.4420	0.3620
October*	0.3670	0.3080
November	0.3260	0.2460
December	0.4200	0.2180
2015		
January	0.3700	0.1970
February	0.2020	0.1340
March	0.1570	0.1080
April	0.3700	0.1250
May	0.3400	0.2800
June	0.3100	0.1950
July (up to the Latest Practicable Date)	0.2360	0.1000

* *The prices have been adjusted to take account of the share consolidation in October 2014.*

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of shares of the Company has been made by the Company during the previous 6 months (whether on the Stock Exchange or otherwise).

Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting, are provided below.

(1) MS. LI LIN

Position and experience

Ms. Li Lin (“**Ms. Li**”), aged 27, was appointed as an executive director and a member of the Executive Committee of the Company with effect from 1 December 2012. Ms. Li obtained her Bachelor of Engineering Degree specialized in greening and environmental protection from Shanghai Institute of Business & Technology in the PRC in 2011. She joined Suzhou Baina Renewable Resources Co., Ltd., a principal indirectly owned subsidiary of the Company in the PRC, as the head of Operations Department since 2011.

Ms. Li has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing letter of appointment issued by the Company to Ms. Li, she is not appointed for any fixed term but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Current Bye-laws.

Relationships

As far as the Directors are aware, Ms. Li does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Li was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Ms. Li is entitled to receive an annual director's fee of HK\$390,000, which is determined by reference to her duties and responsibilities with the Company and the Company's remuneration policy. Ms. Li is eligible to participate in the Company's share option scheme.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. Li to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. Li that need to be brought to the attention of the Shareholders.

(2) MR. XIANG LIANG**Position and experience**

Mr. Xiang Liang ("Mr. Xiang"), aged 46, is an executive director and a member of the Executive Committee of the Company. He joined the Group in March 2010. Mr. Xiang holds a degree in accounting and finance from Shanghai TV University and is a banker of Hongkou Qu, Shanghai Branch, China Construction Bank for more than 20 years.

Mr. Xiang has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing letter of appointment issued by the Company to Mr. Xiang, he is not appointed for any fixed term but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Current Bye-laws.

Relationships

As far as the Directors are aware, Mr. Xiang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Xiang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Mr. Xiang is entitled to receive an annual director's fee of HK\$390,000, which is determined by reference to his duties and responsibilities with the Company and the Company's remuneration policy. Mr. Xiang is eligible to participate in the Company's share option scheme.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Xiang to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Xiang that need to be brought to the attention of the Shareholders.

(3) MR. WANG ZHENGHUA**Position and experience**

Mr. Wang Zhenghua ("Mr. Wang"), aged 33, is a non-executive director of the Company. He joined the Company in June 2011. He graduated from University of Shanghai for Science and Technology in 2006 with a Bachelor's degree in marketing. Mr. Wang has been working in the field of sales, marketing and communications in the PRC for 7 years.

Mr. Wang has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Mr. Wang has not entered into any director's service agreement with the Company and has not been appointed for any fixed term but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Current Bye-laws.

Relationships

As far as the Directors are aware, Mr. Wang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Wang was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Mr. Wang is entitled to receive an annual director's fee of HK\$364,000, which is determined by reference to his duties and responsibilities with the Company and the Company's remuneration policy. Mr. Wang is eligible to participate in the Company's share option scheme.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Wang to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. Wang that need to be brought to the attention of the Shareholders.

(4) MS. YAO ZHENGWEI**Position and experience**

Ms. Yao Zhengwei (“**Ms. Yao**”), aged 29, was appointed as a non-executive director of the Company with effect from 26 January 2011. Ms. Yao graduated in Shanghai I&C Foreign Languages School. She is currently studying Finance in Shanghai Jiao Tong University and working in the investment division of a fund management company.

Ms. Yao has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Ms. Yao has not entered into any director’s service agreement with the Company and has not been appointed for any fixed term but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Current Bye-laws.

Relationships

As far as the Directors are aware, Ms. Yao does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Yao was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Ms. Yao is entitled to receive an annual director's fee of HK\$364,000, which is determined by reference to her duties and responsibilities with the Company and the Company's remuneration policy. Ms. Yao is eligible to participate in the Company's share option scheme.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. Yao to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. Yao that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



China Environmental Energy Investment Limited

中國環保能源投資有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 986)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of China Environmental Energy Investment Limited (the “**Company**”) will be held at Falcon Room I, Gloucester Luk Kwok Hong Kong, 72 Gloucester Road, Wanchai, Hong Kong on Monday, 31 August 2015 at 10:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To consider and receive the audited consolidated financial statements of the Company and the reports of the directors and auditor for the year ended 31 March 2015;
2. To re-elect Ms. Li Lin as an executive director of the Company;
3. To re-elect Mr. Xiang Liang as an executive director of the Company;
4. To re-elect Mr. Wang Zhenghua as a non-executive director of the Company;
5. To re-elect Ms. Yao Zhengwei as a non-executive director of the Company;
6. To authorize the board of directors of the Company to appoint additional directors as and when the board considers necessary and appropriate;
7. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
8. To re-appoint CCTH CPA Limited as auditor and to authorize the board of directors of the Company to fix auditor’s remuneration;

* For identification purposes only

NOTICE OF THE ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held.”;

NOTICE OF THE ANNUAL GENERAL MEETING

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of the outstanding conversion rights attaching to any convertible securities issued by the Company, which are convertible into shares of the Company;
 - (iii) the exercise of options under share option scheme(s) of the Company; and
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution and this approval shall be limited accordingly; and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF THE ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”; and

11. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions set out in items 9 and 10 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 10 of the Notice be and is hereby extended by the addition to the total number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of the total number of shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 9 of the Notice, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing of this resolution.”.

By order of the Board

Chen Tong
Chairman

Hong Kong, 31 July 2015

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Branch Share Registrar of the Company in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.

This Circular, in both English and Chinese versions, is available on the Company's website at www.986.com.hk.

*Shareholders may at any time change their choice of language(s) (either English only or Chinese only or both languages) of the corporate communications of the Company (the "**Corporate Communications**").*

Shareholders may send their request to change their choice of language(s) of Corporate Communications by notice in writing to the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Shareholders who have chosen to receive the Corporate Communications in either English or Chinese version will receive both English and Chinese versions of this Circular since both languages are bound together into one booklet.